of Design Authority (or their delegated agent). You are required to assure the product is airworthy before it is returned to service.

(q) Related Information

Refer to MCAI Canadian Airworthiness Directive CF–2010–24, dated August 3, 2010; and the service bulletins specified in paragraphs (q)(1), (q)(2), (q)(3), (q)(4), (q)(5), (q)(6), (q)(7), (q)(8), and (q)(9) of this AD; for related information.


Issued in Renton, Washington, on April 11, 2012.

John P. Piccola,
Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.
Sanctuaries (ONMS) of the National Oceanic and Atmospheric Administration (NOAA) and the National Wildlife Refuge System of the Fish and Wildlife Service (FWS) have initiated a review of Florida Keys National Marine Sanctuary (FKNMS or sanctuary) boundaries, regulations and zoning scheme. Collectively, NOAA and FWS will make revisions to the sanctuary boundaries, regulations and zoning scheme and backcountry management agreement as necessary to fulfill the purposes and policies of the NMSA, the Florida Keys National Marine Sanctuary and Protection Act (FKNMSPA; Pub. L. 101–605), and the National Wildlife Refuge System Improvement Act of 1997 (NWRSIA; Pub. L. 105–57). The review is being undertaken in response to several factors, including community interest in examining management and conservation strategies, the need to adapt sanctuary and refuge management to changing conditions such as emerging threats to resources, recent scientific findings showing degraded habitat and how resources may be improved with various long-term management efforts, and legal requirements. More information about this process can be found at http://floridakeys.noaa.gov/review/welcome.html.

Florida Keys National Marine Sanctuary

The NMSA (16 U.S.C. 1431 et seq.) authorizes the Secretary of Commerce to designate and protect areas of the marine environment with special national significance due to their conservation, recreational, ecological, historical, scientific, cultural, archeological, educational, or esthetic qualities as national marine sanctuaries. Management of national marine sanctuaries has been delegated by the Secretary of Commerce to NOAA’s Office of National Marine Sanctuaries (ONMS). Florida Keys National Marine Sanctuary (FKNMS) was designated by Congress in 1990 through the Florida Keys National Marine Sanctuary Protection Act (FKNMSPA, Pub. L. 101–605). FKNMS extends approximately 250 statute miles southwest from the southern tip of the Florida peninsula, and is composed of both state and Federal waters. The sanctuary’s marine ecosystem supports over 6,000 species of plants, fishes, and invertebrates, including the Nation’s only living coral reef that lies adjacent to the continent. The area includes one of the largest seagrass communities in this hemisphere. The primary goal of the sanctuary is to protect the marine resources of the Florida Keys. Other goals of the sanctuary include facilitating human uses that are consistent with the primary objective of resource protection as well as educating the public about the Florida Keys marine environment.

The National Oceanic and Atmospheric Administration (NOAA), a federal agency within the Department of Commerce, administers FKNMS. With 60 percent of its protected area located in Florida state waters, the sanctuary is jointly managed by NOAA and the State of Florida under a co-trustee agreement. Under this agreement, NOAA’s primary management partner is the Florida Department of Environmental Protection (DEP). Any amendments to the management plan will be submitted and reviewed pursuant to the State of Florida’s clearinghouse process. Any amendments to sanctuary regulations require the approval of the Governor on behalf of and with the approval of the Florida Trustees (the Governor and Cabinet of the State of Florida act as the Board of Trustees of the Internal Improvement Trust Fund) in order to be effective in State waters and submerged lands, except for merely editorial amendments, technical corrections, and emergency regulations.

In FKNMS, NOAA regulates the following: Injuring coral; fishing; discharges and deposits; impacts to the seafloor, including from dredging and dumping; discharges of sewage from vessels; vessel operations, including personal watercraft and airboats, that cause injuries to resources, humans or property; anchoring on coral; wakes near residential shorelines; vessel operations near diving/use of dive flags; releasing exotic species; damage to markers, buoys and scientific equipment; injuring historical resources; use of explosives and electric charges; harvest of marine life species except as allowed by the Florida Fish and Wildlife Conservation Commission; and activities in specified zones. Information on sanctuary regulations can be found online at http://floridakeys.noaa.gov/regs/welcome.html?sf=management.

The types of zones currently in place in the sanctuary are: ecological reserves, sanctuary preservation areas, wildlife management areas, existing management areas, and special-use areas. A more detailed description of sanctuary zones can be found online at http://floridakeys.noaa.gov/zones/types.html. In addition, the FKNMS revised management plan is available for download at http://floridakeys.noaa.gov/mgmtplans/2007.html.

Key West and Great White Heron National Wildlife Refuges

In the Key West and Great White Heron National Wildlife Refuges, the Fish and Wildlife Service (FWS) may implement restrictions to minimize wildlife disturbance and habitat destruction in state waters from non-wildlife-dependent activities under a joint management agreement with the State of Florida for submerged lands. The FWS protects backcountry resources in state waters with limits on access/operation of vessels, jet skis, and air boats; buffer zones; water skiing; and aircraft water landings. The FWS backcountry management plan is available for download at http://www.fws.gov/nationalkeydeer/backcountry.html. Additional information about the management goals and objectives for the Key West and Great White Heron National Wildlife Refuges is described in the Lower Florida Keys National Wildlife Refuges Comprehensive Conservation Plan, available for download at http://www.fws.gov/southeast/planning/CCP/LowerFLKeysFinalPg.html.

NOAA and the FWS anticipate that completion of the revised boundaries, regulations, zoning scheme, backcountry management plan and concomitant documents will require approximately forty-eight months from the date of publication of this notice of intent. This joint review process will occur concurrently with a public process under the National Environmental Policy Act (NEPA; 42 U.S.C. 4321 et seq.). This notice confirms that NOAA and FWS will coordinate their responsibilities under section 106 of the National Historic Preservation Act (NHPA, 16 U.S.C. 470) with the ongoing NEPA process, pursuant to 36 CFR 800.8(a). Therefore, the NEPA documents and public and stakeholder meetings associated with this process are also intended to meet the section 106 requirements.

Sanctuary Advisory Council

Sanctuary advisory councils are community-based advisory groups established to provide advice and recommendations to the superintendents of the national marine sanctuaries. Councils also serve as liaisons between their constituents in the community and sanctuaries. Sanctuary advisory councils provide advice about sanctuary operations and projects, including education and outreach, research and science, regulations and enforcement, and management planning. They are particularly critical in helping a
sanctuary during reviews of regulatory actions such as this zoning review. Council members provide expertise on both the local community and sanctuary resources, strengthen connections with the community, and help build increased stewardship for sanctuary resources.

The advisory council for Florida Keys National Marine Sanctuary has recommended the following goals and objectives to the sanctuary superintendent for this review:

A. To improve the diversity of natural biological communities in the Florida Keys to protect, and, where appropriate, restore and enhance natural habitats, populations and ecological processes overall and in each of these subregions Tortugas, Marquesas, Lower, Middle, and Upper Keys.

1. Reduce stresses from human activities by establishing areas that restrict access to sensitive wildlife populations and habitats.
2. Protect large, contiguous, diverse and interconnected habitats that provide natural spawning, nursery, and permanent residence areas for the replenishment and genetic protection of marine life and protect and preserve all habitats and species.
3. Improve/maintain the condition of the biologically structured habitats including:
   a. Coral Reef
      i. Inshore Patch Reef
      ii. Mid-Channel Patch Reef
      iii. Offshore Patch Reef
   b. Seagrass Bed
   c. Hardbottom
   d. Coastal Mangrove
4. Increase abundance and condition of selected key species including corals, queen conch, long spined sea urchin, apex predatory fish, birds and sea turtles.

B. To facilitate to the extent compatible with the primary objective of resource protection, all public and private uses of the resources of these marine areas not prohibited pursuant to other authorities.
   a. Minimize conflicts among uses compatible with the National Marine Sanctuary.
   b. Prevent heavy concentrations of uses that degrade Sanctuary resources.
   c. Provide undisturbed monitoring sites for research and control sites to help determine the effects of human activities.
   d. Achieve a vibrant ecologically sustainable ecosystem and economy.

The sanctuary advisory council has also recommended the following guiding principles to the sanctuary superintendent for this review:

1. The regulation/zoning review of Florida Keys National Marine Sanctuary should be conducted with the recognition that there are bordering and overlapping marine management regimes in place, and that these regimes must be considered when contemplating changes to the regulation/marine zoning structure for Florida Keys National Marine Sanctuary.

2. All areas of Florida Keys National Marine Sanctuary should be classified as part of a specific zone, therefore the current "unzoned" area should be classified as a recognized zone type such as "general use area" or "multiple use area".

3. Each habitat type should be represented in a non-extractive marine zone in each of the biogeographically distinct sub regions of Florida Keys National Marine Sanctuary to achieve replication. The subregions identified were the Tortugas, Marquesas, and Lower, Middle, and Upper Keys.

4. Information on resilient reef areas that can serve as refugia should be taken into account in zoning changes.
5. Temporal zoning should be considered as a tool for protecting spawning aggregations and nesting seasons.

6. The size of individual non-extractive zoned areas, the cumulative total area included in non-extractive zones, and their spatial relationship with one another matter greatly in achieving the resource protection purposes of Florida Keys National Marine Sanctuary.

Members of the public are encouraged to contact the current council members who represent their areas of interest, as one of the roles of the members is to serve as a liaison between the sanctuary and members of the community. Contact information for advisory council members can be found at: http://floridakeys.noaa.gov/sac/members.html.

Review Process

In accordance with Section 304(e) of the NMSA, 16 U.S.C. 1431 et seq., the NOAA ONMS is initiating a review of the sanctuary boundaries, regulations and zoning scheme to evaluate the substantive progress made toward implementing the management plan and goals for the sanctuary. In accordance with Section 4 of National Wildlife Refuge System Administration Act of 1966 (NWRSAA; 16 U.S.C. 668dd et seq.), the ONMS and the FWS are also jointly initiating a review of the FWS backcountry management plan for the Key West and Great White Heron National Wildlife Refuges to evaluate the substantive progress made toward implementing the goals and objectives. ONMS and the FWS anticipate drafting revised boundaries, regulations, zoning scheme, backcountry management agreement and concomitant documents as a result of this review. The current management plan for FKNS was completed by NOAA in 2007. Contained within it is the FKNS marine zoning action plan. It describes the five types of zones in the sanctuary, goals and objectives for marine zoning, and implementation strategies and actions. This review implements the marine zoning and regulatory action plans and strategies of the current management plan. The current FWS backcountry management plan and associated agreement for the Key West and Great White Heron National Wildlife Refuges was signed in 1992; it may be reviewed and revised every 5 years, although no prior reviews have occurred since the original plan was completed and the associated management agreement with the State of Florida is due to expire in 2017. The FWS, FKNS and the State of Florida are reviewing the backcountry management agreement for potential revision and renewal.

There are several reasons for undertaking this review:

• Community and sanctuary advisory council interest in reexamining sanctuary management and conservation strategies, expressed during and subsequent to management plan reviews;
• Periodic evaluation of regulations and sanctuary zones ensures they continue to function best for dynamic natural resources and evolving human uses;
• The Florida Keys National Marine Sanctuary Condition Report 2011 shows human actions continue to degrade the habitat and living resources of the sanctuary, but habitat and resources may be improved with long-term management efforts, regulatory compliance, and community involvement;
• Emerging threats to the resources were largely unanticipated when the regulations were first issued and need to be addressed; and
• Reviews of the sanctuary and refuge backcountry management plans are required by law.

The review process is composed of five primary stages:

(1) Information collection and characterization, including public scoping meetings;
(2) Recommendation of the advisory council of Florida Keys National Marine
Sanctuary on revised boundaries, a revised zoning scheme and associated regulations, with possible working groups and public workshops;

(3) Preparation and release of draft revised boundaries, zoning scheme, backcountry management agreement, environmental evaluation, and, if appropriate, regulations or amendments to current regulations;

(4) Public review and comment on the draft boundaries and zoning scheme, proposed regulatory amendments, and other documents mentioned above; and

(5) Preparation and release of final revised boundaries, zoning scheme, backcountry management agreement and concomitant documents will require approximately forty-eight months.

At this time, NOAA and FWS are opening a public scoping period to:

1. Solicit public comments on the boundaries, regulations and zoning scheme of Florida Keys National Marine Sanctuary, and the submerged lands within the boundaries of the Key West and Great White Heron National Wildlife Refuges and associated regulations; and

2. Help determine the scope of issues to be addressed in the preparation of boundaries, a zoning scheme, a backcountry management agreement, and an environmental assessment or environmental impact statement (EIS), pursuant to the National Environmental Policy Act (NEPA).

To that end, NOAA and FWS will conduct a series of scoping meetings in the Florida Keys and south Florida to collect public comment. These scoping meetings will also help determine the scope of issues to be addressed in the preparation of an environmental assessment or EIS pursuant to the NEPA, 43 U.S.C. 4321 et seq. The public scoping meeting schedule is presented below.

Public Scoping Meetings

The public scoping meetings will be held on the following dates and at the following locations beginning at 4 p.m. unless otherwise noted:

1. Marathon, Florida
   Tuesday, June 19, 2012
   Monroe County Government Center, Emergency Operations Center/Board of County Commissioners Meeting Room, 2798 Overseas Highway, Marathon, FL 33050.

2. Key Largo, Florida
   Wednesday, June 20, 2012
   Key Largo Library, 101485 Overseas Hwy., Tradewinds Shopping Center, Key Largo, FL 33037.

3. Key West, Florida
   Thursday, June 21, 2012
   Doubletree by Hilton Hotel Grand Key Resort—Key West Tortuga Ballroom, 3990 S. Roosevelt Blvd., Key West, FL 33040.

4. Miami, Florida
   Tuesday, June 26, 2012
   Florida International University, Modesto A. Monique Campus Graham University Center, Room GC 243, 11200 SW. 8th St., Miami, FL 33199.

5. Fort Myers, Florida
   Wednesday, June 27, 2012
   Joseph P. Alessandro Office Complex, Rooms 165 C and D, 2295 Victoria Ave., Fort Myers, FL 33901.

Consultation Under National Historic Preservation Act

This notice confirms that NOAA and the FWS will coordinate their responsibilities under section 106 of the National Historic Preservation Act (NHPA, 16 U.S.C. 470) with the ongoing NEPA process, pursuant to 36 CFR 800.8(a) including the use of NEPA documents and public and stakeholder meetings to also meet the section 106 requirements. The NHPA specifically applies to any agency undertaking that may affect historic properties. Pursuant to 36 CFR 800.16(1)(1), historic properties includes: “any prehistoric or historic district, site, building, structure or object included in, or eligible for inclusion in, the National Register of Historic Places maintained by the Secretary of the Interior. The term includes artifacts, records, and remains that are related to and located within such properties. The term includes properties of traditional religious and cultural importance to an Indian tribe or Native Hawaiian organization and that meet the National Register criteria.”

In coordinating its responsibilities under the NHPA and NEPA, NOAA and the FWS intend to identify consulting parties; identify historic properties and assess the effects of the undertaking on such properties; initiate formal consultation with the State Historic Preservation Officer, the Advisory Council of Historic Preservation, and other consulting parties; involve the public in accordance with NOAA’s NEPA procedures, and develop in consultation with identified consulting parties alternatives and proposed measures that might avoid, minimize or mitigate any adverse effects on historic properties and describe them in any environmental assessment or draft environmental impact statement.

Condition Report

In preparation for this review, NOAA has produced a Florida Keys National Marine Sanctuary Condition Report 2011. The Condition Report provides a summary of resources and their conditions; pressures on those resources; the current condition and trends of water, habitat, living resources; maritime archeological resources; human activities that affect those resources; and management responses to pressures that threaten the integrity of the marine environment.


Scoping Comments

Scoping meetings provide an opportunity to make direct comments to, and share information with, NOAA and the FWS on the boundaries, zones, and regulations of the entire sanctuary, and the management of and regulations for resources associated with the submerged lands of the Key West and Great White Heron National Wildlife Refuges. We encourage the public to participate and welcome any comments on the scope, types, and significance of issues related to the sanctuary’s boundaries and zoning scheme, the FWS’s backcountry management plan, and associated regulations. In particular, we are interested in hearing about the public’s view on the potential management within specified zones in the sanctuary/submerged lands with the two refuges for the next ten to fifteen years.

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 53

[REG–144267–11]

RIN 1545–BK76

Examples of Program-Related Investments

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document contains proposed regulations that provide guidance to private foundations on program-related investments. These proposed regulations provide a series of new examples illustrating investments that qualify as program-related investments. In addition to private foundations, these proposed regulations affect foundation managers who participate in the making of program-related investments.

DATES: Comments and requests for a public hearing must be received by July 18, 2012.

ADDRESSES: Send submissions to: CC:PA:LPD:PR (REG–144267–11), room 5205, Internal Revenue Service, P.O. Box 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. to CC:PA:LPD:PR (REG–144267–11), Courier’s Desk, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC, or sent electronically via the Federal eRulemaking Portal at http://www.regulations.gov/ (IRS REG–144267–11).

FOR FURTHER INFORMATION CONTACT: Concerning the proposed regulations, Courtney D. Jones at (202) 622–6070; concerning submissions of comments and requests for a public hearing, Oluwafunmilayo Taylor, (202) 622–7180 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background

Section 4944(a) of the Internal Revenue Code (Code) imposes an excise tax on a private foundation that makes an investment that jeopardizes the carrying out of any of the private foundation’s exempt purposes (a “jeopardizing investment”). Section 4944(a) also imposes an excise tax on foundation managers who knowingly participate in the making of a jeopardizing investment. Section 4944(b) imposes additional excise taxes on private foundations and foundation managers when investments are not timely removed from jeopardy.

Generally, under § 53.4944–4(1)(a), a jeopardizing investment occurs when, based on the facts and circumstances at the time the investment is made, foundation managers fail to exercise ordinary business care and prudence in providing for the long- and short-term financial needs of the foundation. The determination of whether an investment is a jeopardizing investment is made on an investment-by-investment basis, taking into account the private foundation’s entire portfolio. In exercising the requisite standard of care and prudence, foundation managers may take into account the expected investment return, price volatility, and the need for portfolio diversification.

Section 4944(c) excepts program-related investments (“PRIs”) from treatment as jeopardizing investments. The regulations under section 4944(c) define a PRI as an investment: (1) The primary purpose of which is to accomplish one or more of the purposes described in section 170(c)(2)(B); (2) no significant purpose of which is the production of income or the appreciation of property; and (3) no purpose of which is to accomplish one or more of the purposes described in section 170(c)(2)(D) (attempting to influence legislation or participating in or intervening in any political campaign).

An investment is made primarily to accomplish one or more of the purposes described in section 170(c)(2)(B) (referred to as “charitable purposes”) if it significantly furthers the accomplishment of the private foundation’s exempt activities and would not have been made but for the relationship between the investment and the accomplishment of those exempt activities. In determining whether a significant purpose of an investment is the production of income or the appreciation of property, § 53.4944–3(a)(2)(iii) provides that it shall be relevant whether investors who are engaged in the investment solely for the production of income would be likely to make the investment on the same terms as the private foundation.

The regulations under other Code sections in Chapter 42 accord special tax treatment to PRIs. For example, § 53.4942(a)(2)(3)(i)(d) excludes PRIs from the assets a private foundation takes into account when determining how much it must distribute under section 4942 as a “distributable amount” for the taxable year. In addition, § 53.4942(a)(3)(a)(2)(i) generally includes distributions that qualify as PRIs as “qualifying distributions” for purposes of meeting the distribution requirements under section 4942. Section 53.4943–10(b) excludes PRIs from being treated as business holdings for the purpose of calculating excess business holdings subject to excise tax under section 4943.

Sections 53.4945–5(b)(4) and 53.4945–6(c)(1)(i) also make clear that PRIs will not constitute taxable expenditures under section 4945, provided the private foundation exercises “expenditure responsibility” in circumstances in which it is required to do so. Among other expenditure responsibility requirements, a private foundation must require a written commitment from the recipient of the PRI that the funds received will be used only for the purposes of the program-related investment. As noted, the primary purpose of a program-related investment must be the accomplishment of a charitable purpose.

Section 53.4944–3(b) contains nine examples illustrating investments that qualify as PRIs and one example of an investment that does not qualify as a PRI. The existing examples focus on domestic situations principally involving economically disadvantaged individuals and deteriorated urban areas.

The Treasury Department and the IRS are aware that the private foundation community would find it helpful if the regulations could include additional PRI examples that reflect current investment practices and illustrate certain principles, including that: (1) An activity conducted in a foreign country furthers a charitable purpose if the same activity would furthers a charitable purpose if conducted in the United States; (2) the charitable purposes served by a PRI are not limited to situations involving economically disadvantaged individuals and deteriorated urban areas; (3) the recipients of PRIs need not be within a charitable class if they are the instruments for furthers a charitable purpose; (4) a potentially high rate of return does not automatically prevent an investment from qualifying as program-related; (5) PRIs can be achieved through a variety of...