

# 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.

## DEPARTMENT OF AGRICULTURE

### Rural Housing Service

### Rural Business-Cooperative Services

### Rural Utilities Service

### Farm Service Agency

7 CFR Parts 1940, 1942, 1944, 1948, and 1980

RIN 0575-ZA01

### Eliminate the 6-Day Reservation Period Requirement for Rural Development Obligations

**AGENCIES:** Rural Housing Service, Rural Business-Cooperative Service, Rural Utilities Service, and Farm Service Agency, USDA.

**ACTION:** Proposed rule.

**SUMMARY:** Rural Development (RD) is proposing to amend the regulations so that an obligation date for all guaranteed loans, direct loans, and grants will no longer be 6 working days from the date of request for reservation of authority. This action is necessary as the 6-day reservation period will be permanently removed from the Commercial Loan Servicing System (CLSS), Guaranteed Loan System (GLS), and Program Loan Accounting System (PLAS). The effect of this action will reduce system or manual intervention when legislative mandates direct cutoff for obligations and/or funding; eliminate program waivers on obligation date; increase consistency with other RD programs; reduce risks with new system implementations, such as the Financial Modernization Management Initiative; and eliminate numerous reconciliation issues between processed obligations and actual obligations for internal RD reports and USDA reporting requirements.

**DATES:** Comments on the proposed rule must be received on or before November 17, 2014.

**ADDRESSES:** You may submit comments to this rule by any of the following methods:

- *Federal eRulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments.

- *Mail:* Submit written comments via the U.S. Postal Service to the Branch Chief, Regulations and Paperwork Management Branch, U.S. Department of Agriculture, STOP 0742, 1400 Independence Avenue SW., Washington, DC 20250-0742.

- *Hand Delivery/Courier:* Submit written comments via Federal Express Mail or other courier service requiring a street address to the Branch Chief, Regulations and Paperwork Management Branch, U.S. Department of Agriculture, 300 7th Street SW., 7th Floor, Washington, DC 20024. All written comments will be available for public inspection during regular work hours at 300 7th Street SW., 7th Floor address listed above.

**FOR FURTHER INFORMATION CONTACT:** Ms. Amanda Lammering, Rural Development, U.S. Department of Agriculture, 4300 Goodfellow Blvd., FC-33, St. Louis, MO 63120; email: [amanda.lammering@stl.usda.gov](mailto:amanda.lammering@stl.usda.gov); telephone (314) 457-4058; or Ms. Kristen Landwehr, Rural Development, U.S. Department of Agriculture, 4300 Goodfellow Blvd., FC-33, St. Louis, MO 63120; email: [kristen.landwehr@stl.usda.gov](mailto:kristen.landwehr@stl.usda.gov); telephone (314) 457-4180.

#### SUPPLEMENTARY INFORMATION:

#### Background

Various RD automated accounting systems are designed to process obligations for Business, Community Facility, and Water and Environmental direct loan, guaranteed loan, and grant programs using a 6-day reservation period. The 6-day reservation period is a system edit in the PLAS, GLS, and CLSS that assigns an obligation date to an RD funded project 6 working days from the date funds are reserved.

When RD programs are funded through a continuing resolution, the accounting systems must be modified to waive the 6-day reservation edit. In Fiscal Year 2011, RD received six continuing resolutions followed by four continuing resolutions in Fiscal Year 2012 which resulted in cumbersome systems' modifications. These modifications have caused undue hardship to RD staff due to last minute

continuing resolution decisions, manual system adjustments needed, and time consuming coordination efforts.

Several new RD programs have not implemented a 6-day reservation period for obligations. Under the American Recovery and Reinvestment Act of 2009 (ARRA) the Business and Industry (B&I) Guaranteed Loan Program disabled the 6 day reservation period along with the Biorefinery Assistance Program of the 2008 Farm Bill. Additionally, Rural Electric and Telecommunication, Single Family Housing, and Multi-Family Housing loans do not have a 6-day reservation requirement when obligating program funds.

To maintain consistency and uniformity across RD's automated accounting systems, the RD will be removing the 6-day reservation system edit on obligations. As automation for this enhancement is completed, program staffs will have immediate knowledge of approved obligations as opposed to showing the obligations on reserved status. Field office personnel will adhere to a 6-working day waiting period prior to notifying an applicant/lender of loan and/or grant approval. Rural Development believes the removal of the 6-day reservation period on obligations for guaranteed loans, direct loans, and grants to be a noncontroversial change to the regulations with no impact on the public.

#### Programs Affected

The programs described by this rule are listed in the Catalog of Federal Domestic Assistance Programs under number(s) 10.350 Technical Assistance to Cooperatives, 10.352 Value-Added Producer Grants, 10.420 Rural Self-Help Housing Technical Assistance, 10.433 Rural Housing Preservation Grants, 10.446 Rural Community Development Initiative, 10.759 part 1774 Special Evaluation Assistance for Rural Communities and Household Program (SEARCH), 10.760 Water and Waste Disposal Systems for Rural Communities, 10.761 Technical Assistance and Training Grants, 10.762 Solid Waste Management Grants, 10.763 Emergency Community Water Assistance Grants, 10.766 Community Facilities Loans and Grants, 10.767 Intermediary Relending Program, 10.768 Business and Industry Loans, 10.769 Rural Business Enterprise Grants,

10.770 Water and Waste Disposal Loans and Grants (section 306C), 10.771 Rural Cooperative Development Grants, 10.773 Rural Business Opportunity Grants, 10.778 Research on the Economic Impact of Cooperatives, 10.781 Water and Waste Disposal Systems for Rural Communities—ARRA, 10.854 Rural Economic Development Loans and Grants, 10.856 1890 Land Grant Institutions Rural Entrepreneurial Outreach Program, 10.858 Denali Commission Grants and Loans, 10.862 Household Water Well System Grant Program, 10.864 Grant Program To Establish a Fund for Financing Water and Wastewater Projects, 10.866 Repowering Assistance, 10.868 Rural Energy for America Program, 10.870 Rural Micro entrepreneur Assistance Program.

#### **Executive Order 12866—Classification**

This rule has been determined to be not significant for purposes of Executive Order 12866 and therefore has not been reviewed by the Office of Management and Budget (OMB).

#### **Non-Discrimination Statement**

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because of all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html), or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue SW., Washington, DC 20250-9410, by fax (202) 690-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov). Individuals who are deaf, hard of hearing or have speech disabilities and you wish to file a program complaint please contact USDA through the Federal Relay

Service at (800) 877-8339 or (800) 845-6136 (in Spanish). USDA is an equal opportunity provider and employer.

#### **Civil Rights Impact Statement**

No major civil rights impact is likely to result from the announcement of this notice. It will not have a negative civil rights impact on very-low income, low income, and moderate income and minority populations.

#### **Environmental Impact Statement**

This document has been reviewed in accordance with 7 CFR part 1940, subpart G, "Environmental Program." Rural Development has determined that this action does not constitute a major Federal action significantly affecting the quality of the human environment and, in accordance with the National Environmental Policy Act (NEPA) of 1969, 42 U.S.C. 4321 *et seq.*, an Environmental Impact Statement is not required.

#### **Executive Order 12372, Intergovernmental Consultation**

This program is not subject to the requirements of Executive Order 12372, "Intergovernmental Review of Federal Programs," as implemented under USDA's regulations at 7 CFR part 3015.

#### **Executive Order 12988, Civil Justice**

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. In accordance with this rule: (1) All State and local laws and regulations that are in conflict with this rule will be preempted; (2) no retroactive effect will be given this rule; and (3) administrative proceedings in accordance with the regulations of the Department of Agriculture's National Appeals Division (7 CFR part 11) must be exhausted before bringing suit in court challenging action taken under this rule unless those regulations specifically allow bringing suit at an earlier time.

#### **Executive Order 13132, Federalism**

The policies contained in this rule do not have any substantial direct effect on 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. Nor does this rule impose substantial direct compliance costs on State and local governments. Therefore, consultation with states is not required.

#### **Regulatory Flexibility Act Certification**

The Regulatory Flexibility Act (5 U.S.C. 601-602) (RFA) generally requires an agency to prepare a regulatory flexibility analysis of any rule

subject to notice and comment rulemaking requirements under the Administrative Procedure Act ("APA") or any other statute. This rule, however, is not subject to the APA under 5 U.S.C. 553(a)(2) and 5 U.S.C. 553(b)(3)(A) nor any other statute.

#### **Unfunded Mandates**

Title II of the Unfunded Mandate Reform Act of 1995 (UMRA, Pub. L. 104-4) requires Federal agencies to assess the effects of their regulatory actions on State, local, or Tribal governments or the private sector. Agencies generally must prepare a written statement, including a cost benefit analysis, for proposed and final rules with Federal mandates that may result in expenditures of \$100 million or more in any 1 year for State, local, or Tribal governments, in the aggregate, or to the private sector. UMRA generally requires agencies to consider alternatives and adopt the more cost effective or least burdensome alternative that achieves the objectives of the rule.

This contains no Federal mandates (under the regulatory provisions of Title II of the Unfunded Mandates Reform Act of 1995) for State, local, and tribal Governments or the private sector. Therefore, this rule is not subject to the requirements of sections 202 and 205 of the Unfunded Mandates Reform Act of 1995.

#### **Executive Order 13175, Consultation and Coordination With Indian Tribal Governments**

This executive order imposes requirements on Rural Development in the development of regulatory policies that have tribal implications or preempt tribal laws. Rural Development has determined that the rule does not have a substantial direct effect on one or more Indian tribe(s) or on either the relationship or the distribution of powers and responsibilities between the Federal Government and Indian tribes. Thus, this final rule is not subject to the requirements of Executive Order 13175. If a tribe determines that this rule has implications of which Rural Development is not aware and would like to engage with Rural Development on this rule, please contact Rural Development's Native American Coordinator at [AIAN@wdc.usda.gov](mailto:AIAN@wdc.usda.gov).

#### **Paperwork Reduction Act**

This rule does not contain any information collection requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520).

E-Government Act Compliance

Rural Development is committed to complying with the E-Government Act, to promote the use of the Internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes.

List of Subjects

7 CFR Part 1940

Agriculture, Grant programs-agriculture, Grant programs-housing and community development, Loan programs-agriculture, Loan programs-housing and community development, Rural areas.

7 CFR Part 1942

Business and industry, Community facilities, Grant programs-business, Grant programs-housing and community development, Grant programs-Indians, Indians, Loan programs-agriculture, Loan programs-housing and community development, Loan programs-Indians, Loan programs-natural resources, Rural areas, Waste treatment and disposal, Water supply, Watersheds.

7 CFR Part 1944

Administrative practice and procedure, Cooperatives, Grant programs housing and community development, Loan programs-housing and community development, Rural areas.

7 CFR Part 1948

Community facilities, Grant programs-housing and community development, Rural areas.

7 CFR Part 1980

Agriculture, Business and industry, Community facilities, Disaster assistance, Loan programs-agriculture, Loan programs-business, Loan programs-housing and community development, Rural areas.

For the reasons set forth in the preamble, chapter XVIII, title 7, of the Code of Federal Regulations is proposed to be amended as follows:

CHAPTER XVIII—RURAL HOUSING SERVICE, RURAL BUSINESS—COOPERATIVE SERVICE, RURAL UTILITIES SERVICE, AND FARM SERVICE AGENCY, DEPARTMENT OF AGRICULTURE

PART 1940—GENERAL

■ 1. The authority citation for part 1940 continues to read as follows:

Authority: 5 U.S.C. 301; 7 U.S.C. 1989; and 42 U.S.C. 1480.

Subpart L—Methodology and Formulas for Allocation of Loan and Grant Program Funds

■ 2. Amend § 1940.588 by revising paragraph (i) to read as follows:

§ 1940.588 Business and Industry Guaranteed and Direct Loans.

\* \* \* \* \*

(i) Availability of the allocation. See § 1940.552(i) of this subpart.

\* \* \* \* \*

PART 1942—ASSOCIATIONS

■ 3. The authority citation for part 1942 continues to read as follows:

Authority: 5 U.S.C. 301; 7 U.S.C. 1989.

Subpart A—Community Facility Loans

■ 4. Amend § 1942.5 by revising paragraph (d)(4) and the first sentence of paragraph (d)(6) to read as follows:

§ 1942.5 Application review and approval.

\* \* \* \* \*

(d) \* \* \*

(4) The date the applicant is notified of loan and/or grant approval is six working days from the date funds are reserved unless an exception is granted by the National Office.

\* \* \* \* \*

(6) Loan approval and applicant notification will be accomplished by the State Director or designee by mailing to the applicant, 6 working days from the obligation date, a copy of Form FmHA or its successor agency under Public Law 103-354 1940-1 which has been previously signed by the applicant and loan approval official. \* \* \*

\* \* \* \* \*

PART 1944—HOUSING

■ 5. The authority citation for part 1944 continues to read as follows:

Authority: 5 U.S.C. 301; 42 U.S.C. 1480.

Subpart K—Technical and Supervisory Assistance Grants

■ 6. Amend § 1944.533 by revising the last sentence of paragraph (f)(2)(i) and the introductory text of paragraph (f)(4) to read as follows:

§ 1944.533 Grant approval and announcement.

\* \* \* \* \*

(f) \* \* \*

(2) \* \* \*

(i) \* \* \* The obligation date will be the date the request for obligation is processed.

\* \* \* \* \*

(4) An executed form FmHA or its successor agency under Public Law

103-354 1940-1 will be sent to the applicant along with an executed copy of the Grant Agreement and scope of work 6 working days from the date funds are obligated.

\* \* \* \* \*

PART 1948—RURAL DEVELOPMENT

■ 7. The authority citation for part 1948 continues to read as follows:

Authority: 5 U.S.C. 301, 7 U.S.C. 1932 note.

Subpart B—Section 601 Energy Impacted Area Development Assistance Program

■ 8. Amend § 1948.92 by revising the last sentence of paragraph (g)(3) and paragraph (g)(8) to read as follows:

§ 1948.92 Grant approval and fund obligation.

\* \* \* \* \*

(g) \* \* \*

(3) \* \* \* The obligation date will be the date the request for obligation is processed.

\* \* \* \* \*

(8) An executed copy of Form FmHA or its successor agency under Public Law 103-354 440-1 shall be sent to the applicant along with an executed copy of the grant agreement and scope of work 6 working days from the date funds are obligated.

\* \* \* \* \*

PART 1980—GENERAL

■ 9. The authority citation for part 1980 continues to read as follows:

Authority: 5 U.S.C. 301 and 7 U.S.C. 1989. Subpart E also issued under 7 U.S.C. 1932(a).

Subpart E—Business and Industrial Loan Program

■ 10. In § 1980.452 under the heading “Administrative” revise the fifth sentence of paragraph D6 and D6d to read as follows:

§ 1980.452 FmHA or its successor agency under Public Law 103-354 evaluation of application.

\* \* \* \* \*

D \* \* \*

6 \* \* \* Notice of approval to lender will be accomplished by providing or sending the lender the signed copy of Form FmHA or its successor agency under Public Law 103-354 1940-3 and Form FmHA or its successor agency under Public Law 103-354 449-14 six working days from the date funds are reserved, unless an exception is granted by the National Office. \* \* \*

\* \* \* \* \*

d \* \* \* The obligation date will be the date of the request for reservation of authority which is being processed in the Finance Office. \* \* \*

\* \* \* \* \*

Dated: August 7, 2014.

**Doug O'Brien,**

*Under Secretary, Rural Development.*

Dated: September 3, 2014.

**Michael Scuse,**

*Under Secretary, Farm and Foreign Agricultural Services.*

[FR Doc. 2014-21702 Filed 9-17-14; 8:45 am]

**BILLING CODE 3410-XV-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2014-0717; Directorate Identifier 2014-CE-026-AD]

RIN 2120-AA64

#### Airworthiness Directives; Pilatus Aircraft, Ltd. Airplanes

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

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

**SUMMARY:** We propose to adopt a new airworthiness directive (AD) for all Pilatus Aircraft Ltd. Models PC-6, PC-6-H1, PC-6-H2, PC-6/350, PC-6/350-H1, PC-6/350-H2, PC-6/A, PC-6/A-H1, PC-6/A-H2, PC-6/B-H2, PC-6/B1-H2, PC-6/B2-H2, PC-6/B2-H4, PC-6/C-H2, and PC-6/C1-H2 airplanes that would supersede AD 2013-11-08. This proposed AD results from mandatory continuing airworthiness information (MCAI) originated by an aviation authority of another country to identify and correct an unsafe condition on an aviation product. The MCAI describes the unsafe condition as a need to incorporate new revisions into the aircraft maintenance manual or in the limitations document of the FAA-approved maintenance program. We are issuing this proposed AD to require actions to address the unsafe condition on these products.

**DATES:** We must receive comments on this proposed AD by November 3, 2014.

**ADDRESSES:** You may send comments by any of the following methods:

- *Federal eRulemaking Portal:* Go to <http://www.regulations.gov>. Follow the instructions for submitting comments.
- *Fax:* (202) 493-2251.
- *Mail:* U.S. Department of Transportation, Docket Operations, M-

30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE., Washington, DC 20590.

• *Hand Delivery:* U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this proposed AD, contact PILATUS AIRCRAFT LTD., Customer Liaison Manager, CH-6371 STANS, Switzerland; telephone: +41 (0) 41 619 65 80; fax: +41 (0) 41 619 65 76; Internet: <http://www.pilatus-aircraft.com>; email: [fodermatt@pilatus-aircraft.com](mailto:fodermatt@pilatus-aircraft.com). You may review copies of the referenced service information at the FAA, Small Airplane Directorate, 901 Locust, Kansas City, Missouri 64106. For information on the availability of this material at the FAA, call (816) 329-4148.

#### Examining the AD Docket

You may examine the AD docket on the Internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2014-0717; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this proposed AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Office (telephone (800) 647-5527) is in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

#### FOR FURTHER INFORMATION CONTACT:

Doug Rudolph, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329-4059; fax: (816) 329-4090; email: [doug.rudolph@faa.gov](mailto:doug.rudolph@faa.gov).

#### SUPPLEMENTARY INFORMATION:

##### Comments Invited

We invite you to send any written relevant data, views, or arguments about this proposed AD. Send your comments to an address listed under the **ADDRESSES** section. Include "Docket No. FAA-2014-0717; Directorate Identifier 2014-CE-026-AD" at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this proposed AD. We will consider all comments received by the closing date and may amend this proposed AD because of those comments.

We will post all comments we receive, without change, to <http://www.regulations.gov>, including any personal information you provide. We will also post a report summarizing each substantive verbal contact we receive about this proposed AD.

#### Discussion

On May 22, 2013, we issued AD 2013-11-08, Amendment 39-17468 (78 FR 37701; June 24, 2013). That AD required actions intended to address an unsafe condition on Pilatus Aircraft Ltd. Models PC-6, PC-6-H1, PC-6-H2, PC-6/350, PC-6/350-H1, PC-6/350-H2, PC-6/A, PC-6/A-H1, PC-6/A-H2, PC-6/B-H2, PC-6/B1-H2, PC-6/B2-H2, PC-6/B2-H4, PC-6/C-H2, and PC-6/C1-H2 airplanes and was based on mandatory continuing airworthiness information (MCAI) originated by an aviation authority of another country.

Since we issued AD 2013-11-08, Amendment 39-17468 (78 FR 37701; June 24, 2013), Pilatus Aircraft Ltd. has issued revisions to the Limitations section of the airplane maintenance manual (AFM) to incorporate new life limits for the fire extinguisher.

The European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Community, has issued AD No. 2014-0181, dated July 31, 2014 (referred to after this as "the MCAI"), to correct an unsafe condition for the specified products. The MCAI states:

The maintenance instructions and airworthiness limitations applicable to the Structure and Components of PC-6 aeroplanes are specified in the Aircraft Maintenance Manual (AMM) under Chapter 4 or in the Airworthiness Limitations Document (ALS), depending on aeroplane model.

The instructions contained in the ALS document have been identified as mandatory actions for continued airworthiness and failure to comply with these instructions and limitations could potentially lead to an unsafe condition.

Pilatus Aircraft Ltd. (Pilatus) recently issued PC-6 AMM, Chapter 04-00-00, Document Number 01975 issue 19 for PC-6 B2-H2 and PC-6 B2-H4 aeroplanes and PC-6 ALS, Document Number 02334 issue 4 for all other PC-6 aeroplane models to incorporate new life limits for the Fire Extinguisher.

For the reason described above, this AD retains the requirements of EASA AD 2012-0268, which is superseded, and requires implementation of the new maintenance requirements and/or airworthiness limitations.

You may examine the MCAI on the Internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2014-0717.