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DEPARTMENT OF TRANSPORTATION

Office of the Secretary

2 CFR Part 1201

49 CFR Parts 18 and 19

[Docket No. OMB–2014–0006]

RIN 2105–AE33

Department of Transportation Regulatory Implementation of Office of Management and Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

AGENCY: Office of the Secretary (OST), U.S. Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: On December 19, 2014, the U.S. Department of Transportation, with other Federal agencies, published a joint interim final rule implementing the guidance titled “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards” that the Office of Management and Budget (OMB) published on December 26, 2013. While the Department received two comments on related implementation guidance, to which we respond, the Department did not receive any comments on the final rule implementing the OMB guidance. Therefore, this rule confirms that the changes that the Department published in the interim final rule on December 19, 2014, are final.

DATES: Effective December 17, 2015.

FOR FURTHER INFORMATION CONTACT: Michael A. Smith, Office of the General Counsel (C–10), U.S. Department of Transportation, 1200 New Jersey Avenue SE., Washington, DC 20590, (202) 366–2917, michael.a.smith@dot.gov.

SUPPLEMENTARY INFORMATION: The Office of Management and Budget (OMB) published guidance titled “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards” in 2 CFR part 200 on December 26, 2013 (78 FR 78589), to improve the efficiency and effectiveness of Federal financial assistance. That guidance followed an advance notice of proposed guidance (77 FR 11778) and a notice of proposed guidance (78 FR 7282). The guidance required that Federal agencies promulgate a regulation implementing its policies and procedures. On December 19, 2014, the Department and other agencies published a joint interim final rule to implement the guidance (79 FR 75871).

In the joint interim final rule, the Department implemented the guidance through regulations at 2 CFR part 1201 and removed its previous regulations on Federal awards at 49 CFR parts 18 and 19. The OMB and the Department received comments in response to the joint interim final rule, but none of those comments were about the final rule itself, 2 CFR part 1201, or 49 CFR part 18 or 19. Thus, the Department confirms that the changes to 2 CFR part 1201 and 49 CFR parts 18 and 19 that it published in the joint interim final rule are final.

Although the Department did not receive any comments regarding the substance of the joint interim final rule, there were two comments submitted related to implementation guidance that the Federal Highway Administration (FHWA) issued on December 4, 2014. First, we received a comment from the Maryland State Highway Administration (SHA) seeking clarification of how FHWA expected State departments of transportation, as “pass-through entities,” to monitor and negotiate subrecipients’ indirect costs. Section D.1.b of Appendix VII to part 200 states that “[w]here a non-Federal entity only receives funds as a subrecipient, the pass-through entity will be responsible for negotiating and/or monitoring the subrecipient’s indirect costs.” The FHWA’s implementation guidance supports this requirement and does not add any additional oversight responsibilities for the SHA in negotiating or monitoring the subrecipient’s indirect costs.

Second, we received a comment from the Missouri Department of

Transportation (MoDOT). The FHWA implementation guidance had stated that 2 CFR 200.309 was “a significant change to the Federal-aid highway program because it will impose a period when project costs can be incurred, which includes a project agreement start and end date. . . . The new provision will require an end date to be included in the agreement after which no additional costs may be incurred and are not eligible for reimbursement.” The MoDOT commented that the “requirement to monitor and track project end dates duplicates the efforts being performed to monitor and track inactive projects.” The FHWA does not view the requirement in 2 CFR 200.210(a)(5) and 200.309 that Federal awards have end dates as duplicative of other requirements on MoDOT. Instead, the requirement is an additional internal control that complements existing stewardship and oversight responsibilities held by State departments of transportation. The FHWA anticipates issuing additional guidance about using project agreement end dates to improve funds management.

Regulatory analyses and notices for this final rule were published with the joint interim final rule.

For the reasons stated in the preamble, the Department of Transportation adopts without change the addition of 2 CFR part 1201 and the removal and reservation of 49 CFR parts 18 and 19 that were published in the joint interim final rule at 79 FR 75871 on December 19, 2014.

Issued in Washington, DC, on November 30, 2015.

Anthony R. Foxx,

Secretary of Transportation.

[FR Doc. 2015–31076 Filed 12–16–15; 8:45 am]

BILLING CODE 4910–9X–P

FARM CREDIT ADMINISTRATION

12 CFR Part 603

Privacy Act Regulations

CFR Correction

In Title 12 of the Code of Federal Regulations, Parts 600 to 899, revised as of January 1, 2015, on page 17, in § 603.350, remove the term “Section

552a (J)(3)” and add “Section 552a (i)(3)” in its place.

[FR Doc. 2015–31731 Filed 12–16–15; 8:45 am]

BILLING CODE 1505–01–D

FARM CREDIT ADMINISTRATION

12 CFR Part 652

Federal Agricultural Mortgage Corporation Funding and Fiscal Affairs

CFR Correction

In Title 12 of the Code of Federal Regulations, Parts 600 to 899, revised as of January 1, 2015, on page 344, in appendix A to subpart B to part 652, in the table of contents, add “1.0 Introduction.”.

[FR Doc. 2015–31730 Filed 12–16–15; 8:45 am]

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NATIONAL CREDIT UNION ADMINISTRATION

12 CFR Part 747

Administrative Actions, Adjudicative Hearings, Rules of Practice and Procedure, and Investigations

CFR Correction

In Title 12 of the Code of Federal Regulations, Parts 600 to 899, revised as of January 1, 2015, on page 918, in § 747.616, remove the term “Office of the Controller” and add the term “Office of Chief Financial Officer” in its place.

[FR Doc. 2015–31732 Filed 12–16–15; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Parts 21 and 45

[Docket No. FAA–2013–0933; Amdt. Nos. 21–98A, 45–29A]

RIN 2120–AK20

Changes to Production Certificates and Approvals; Correction

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; correction.

SUMMARY: The Federal Aviation Administration (FAA) is correcting a final rule published on October 1, 2015. In that rule, the FAA amended its certification procedures and marking requirements for aeronautical products and articles. This action corrects the effective date of the final rule to permit

an earlier implementation of the rule’s provisions that allow production approval holders to issue authorized release documents for aircraft engines, propellers, and articles. It also permits an earlier implementation date for production certificate holders to manufacture and install interface components, and provides earlier relief from the current requirement that fixed-pitch wooden propellers be marked using an approved fireproof method.

DATES: The final rule published October 1, 2015 (80 FR 59021), is effective March 29, 2016, except for §§ 21.1(b)(1), 21.1(b)(5) through (9), 21.137(o), 21.142, 21.147, and 45.11(c), which are effective January 4, 2016.

FOR FURTHER INFORMATION CONTACT: For technical questions concerning this action, contact Priscilla Steward or Robert Cook, Aircraft Certification Service, Production Certification Section, AIR–112, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591; telephone (202) 267–1656; email: priscilla.steward@faa.gov or telephone: (202) 267–1590; email: robert.cook@faa.gov.

SUPPLEMENTARY INFORMATION:

Background

On October 1, 2015, the final rule, “Changes to Production Certificates and Approvals,” 80 FR 59021, was published in the **Federal Register**. In that final rule the FAA revised the regulations pertaining to certification requirements for products and articles in part 21 of title 14 of the Code of Federal Regulations (14 CFR) and removed certain marking requirements in 14 CFR part 45 applicable to fixed-pitch wooden propellers. The final rule afforded production approval holders (PAHs) a number of privileges not currently permitted under current regulations.

To provide PAHs privileges similar to those afforded European and Canadian approved manufacturers, § 21.137(o) of the final rule permits a PAH to issue authorized release documents for new aircraft engines, propellers, and articles that it produces, and also for used aircraft engines, propellers, and articles it rebuilds or alters in accordance with § 43.3(j), provided it establishes an FAA-approved process in its quality system for issuing those documents. Authorized release documents would typically be issued using FAA Form 8130–3, Airworthiness Release Certificate, Airworthiness Approval Tag.

The final rule also allows a PAH that meets the requirements of § 21.147(c) to apply for an amendment to its

production certificate for the purpose of manufacturing and installing interface components. The term “interface component” is also specifically defined in § 21.1(a)(5).

Additionally, the final rule amends part 45 to exclude fixed-pitch wooden propellers from the requirement that a propeller, propeller blade, or propeller hub be marked using an approved fireproof method. This exclusion allows manufacturers to mark their products in a practical manner that takes into account the inherent nature of wooden propellers.

Finally, the rule revises the definition of “airworthiness approval,” in § 21.1(b)(1), by expanding it to account for the issuance of an airworthiness approval in instances where an aircraft, aircraft engine, propeller, or article does not conform to its approved design or may not be in a condition for safe operation at the time the airworthiness approval is generated and that nonconformity or condition is specified on the airworthiness approval document.

The FAA issued the final rule with an effective date of 180 days after its publication in the **Federal Register** to allow sufficient time for industry compliance with new requirements contained in the rule. This effective date, however, also delayed the implementation date of certain provisions that removed regulatory burdens that were no longer necessary or appropriate in the current global manufacturing environment. Accordingly, the FAA is amending the effective date of the final rule to January 4, 2016 for the following sections:

- § 21.1(b)(1) which revises the definition of airworthiness approval
- § 21.1(b)(5), which defines interface component
- § 21.137(o), which establishes provisions for the issuance of authorized release documents by PAHs
- § 21.142, which codifies provisions for the inclusion of interface components in a production limitation record
- § 21.147, which specifies the requirements that must be met to amend a production certificate to include interface components
- § 45.11(c), which excludes fixed-pitch wooden propellers from the requirement that they be marked using an approved fireproof method.

The FAA also notes that Change 5 to the Maintenance Annex Guidance (MAG), which implements certain provisions of the Aviation Safety Agreement between the United States and the European Union requires that FAA Form 8130–3 be issued by a U.S.