

# 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 ENERGY

### 10 CFR Part 810

RIN 1994-AA05

#### Assistance to Foreign Atomic Energy Activities

**AGENCY:** National Nuclear Security Administration (NNSA), Department of Energy (DOE).

**ACTION:** Extension of public comment period.

**SUMMARY:** The U.S. Department of Energy (“DOE”) is extending the public comment period for its proposed rule establishing procedures for the imposition of civil penalties for violations of certain provisions of the Atomic Energy Act of 1954 (AEA). The notice of proposed rulemaking (NPR) provided for a public comment period ending November 4, 2019. On October 18, 2019 DOE received a comment requesting a 90-day comment period extension and a public meeting. DOE is extending the public comment period for submitting comments on the NPR by 30 days to December 4, 2019.

**DATES:** The comment period for the proposed rulemaking published on October 3, 2019, 84 FR 52819, is extended. Comments, data, and information regarding this rulemaking must be submitted no later than December 4, 2019.

**ADDRESSES:** Interested persons may submit comments, identified by RIN 1994-AA05, by any of the following methods:

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

2. *Email:* [Part810@nnsa.doe.gov](mailto:Part810@nnsa.doe.gov). Include RIN 1994-AA05 in the subject line of the message.

3. *Mail:* Katie Strangis, Office of Nonproliferation and Arms Control, NA-24, National Nuclear Security Administration, Department of Energy, 1000 Independence Avenue SW, Washington, DC 20585. Due to potential delays in DOE’s receipt and processing

of mail sent through the U.S. Postal Service, DOE encourages responders to submit comments electronically to ensure timely receipt.

All submissions must include the RIN for this rulemaking, RIN 1994-AA05. For detailed instructions on submitting comments and additional information on the rulemaking process, see the “Public Comment Procedures” heading of the **SUPPLEMENTARY INFORMATION** section of the NPR at 84 FR 52822. For access to the docket to read background documents, or comments received, go to the Federal Rulemaking Portal at [https://www.regulations.gov/document?D=DOE\\_FRDOC\\_0001-3863](https://www.regulations.gov/document?D=DOE_FRDOC_0001-3863).

**FOR FURTHER INFORMATION CONTACT:** Ms. Katie Strangis, Senior Policy Advisor, Office of Nonproliferation and Arms Control (NPAC), National Nuclear Security Administration, Department of Energy, 1000 Independence Avenue SW, Washington, DC 20585, telephone (202) 586-8623 or email [Katie.Strangis@nnsa.doe.gov](mailto:Katie.Strangis@nnsa.doe.gov); Mr. Thomas Reilly, Office of the General Counsel, GC-53, Department of Energy, 1000 Independence Avenue SW, Washington, DC 20585, telephone (202) 586-3417; or Mr. Zachary Stern, Office of the General Counsel, National Nuclear Security Administration, Department of Energy, 1000 Independence Avenue SW, Washington, DC 20585, telephone (202) 586-8627.

**SUPPLEMENTARY INFORMATION:** On October 3, 2019, DOE published a NPR in the **Federal Register** (84 FR 52819) to propose procedures for the imposition of civil penalties for violations of the provisions of the Atomic Energy Act of 1954 (AEA) that restrict participation by U.S. persons in the development or production of special nuclear material outside of the United States. The proposed procedures would be incorporated in the DOE regulations on Assistance to Foreign Atomic Energy Activities (10 CFR part 810). Comments on the proposed procedures were due by November 4, 2019. On October 18, 2019, DOE received a comment from Nuclear Energy Institute (NEI) requesting a 90-day comment period extension. DOE has reviewed the NEI request and considered the benefit to the public in providing additional time for comments on the NPR. DOE has also considered the fact that timely implementation of this rule is important for national security, since the proposed

civil penalties procedures would serve to deter illicit transfers of controlled nuclear technology and assistance.

Accordingly, DOE has determined that an extension of the comment period is appropriate and is hereby extending the comment period by 30 days, until December 4, 2019. DOE has determined to not hold a public meeting because the resources necessary to do so are greater than the benefit that could be achieved. DOE assesses that a 30 day extension strikes an appropriate balance between the requestor’s desire for additional time and the national security benefits of implementing this rulemaking on a timely basis.

Signed in Washington, DC, on October 25, 2019.

**Sean Oehlbert,**

*Director, Office of Nonproliferation Policy.*

[FR Doc. 2019-23922 Filed 11-1-19; 8:45 am]

**BILLING CODE 6450-01-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2019-0860; Product Identifier 2019-NM-123-AD]

RIN 2120-AA64

#### Airworthiness Directives; Dassault Aviation Airplanes

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

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

**SUMMARY:** The FAA proposes to supersede Airworthiness Directive (AD) 2019-03-14, which applies to certain Dassault Aviation Model FAN JET FALCON, FAN JET FALCON SERIES C, D, E, F, and G airplanes. AD 2019-03-14 requires revising the existing maintenance or inspection program, as applicable, to incorporate new maintenance requirements and airworthiness limitations. Since AD 2019-03-14 was issued, the FAA has determined that new or more restrictive airworthiness limitations are necessary. This proposed AD would require revising the existing maintenance or inspection program, as applicable, to incorporate new or more restrictive airworthiness limitations. The FAA is

proposing this AD to address the unsafe condition on these products.

**DATES:** The FAA must receive comments on this proposed AD by December 19, 2019.

**ADDRESSES:** You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, by any of the following methods:

- *Federal eRulemaking Portal:* Go to <https://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:* Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this NPRM, contact Dassault Falcon Jet Corporation, Teterboro Airport, P.O. Box 2000, South Hackensack, NJ 07606; telephone 201-440-6700; internet <https://www.dassaultfalcon.com>. You may view this referenced service information at the FAA, Transport Standards Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206-231-3195.

#### Examining the AD Docket

You may examine the AD docket on the internet at <https://www.regulations.gov> by searching for and locating Docket No. FAA-2019-0860; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this NPRM, the regulatory evaluation, any comments received, and other information. The street address for Docket Operations is listed above. Comments will be available in the AD docket shortly after receipt.

**FOR FURTHER INFORMATION CONTACT:** Tom Rodriguez, Aerospace Engineer, International Section, Transport Standards Branch, FAA, 2200 South 216th St., Des Moines, WA 98198; telephone and fax 206-231-3226.

#### SUPPLEMENTARY INFORMATION:

##### Comments Invited

The FAA invites you to send any written relevant data, views, or arguments about this proposal. Send your comments to an address listed under the **ADDRESSES** section. Include “Docket No. FAA-2019-0860; Product Identifier 2019-NM-123-AD” at the beginning of your comments. The FAA specifically invites comments on the

overall regulatory, economic, environmental, and energy aspects of this proposed AD. The FAA will consider all comments received by the closing date and may amend this proposed AD based on those comments.

The FAA will post all comments received, without change, to <https://www.regulations.gov>, including any personal information you provide. The FAA will also post a report summarizing each substantive verbal contact received about this NPRM.

#### Discussion

The FAA issued AD 2019-03-14, Amendment 39-19566 (84 FR 7269, March 4, 2019) (“AD 2019-03-14”), for certain Dassault Aviation Model FAN JET FALCON, FAN JET FALCON SERIES C, D, E, F, and G airplanes. AD 2019-03-14 requires revising the existing maintenance or inspection program, as applicable, to incorporate new maintenance requirements and airworthiness limitations. AD 2019-03-14 resulted from a determination that new or more restrictive airworthiness limitations are necessary. The FAA issued AD 2019-03-14 to address, among other things, fatigue cracking and damage in principal structural elements; such fatigue cracking and damage could result in reduced structural integrity of the airplane.

#### Actions Since AD 2019-03-14 Was Issued

Since AD 2019-03-14 was issued, the FAA has determined that new or more restrictive airworthiness limitations are necessary.

The European Union Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Union, has issued EASA AD 2019-0142, dated June 17, 2019 (referred to after this as the Mandatory Continuing Airworthiness Information, or “the MCAI”), to correct an unsafe condition for certain Dassault Aviation Model FAN JET FALCON, FAN JET FALCON SERIES C, D, E, F, and G airplanes.

This proposed AD was prompted by a determination that new or more restrictive airworthiness limitations are necessary. The FAA is issuing this AD to address continued structural integrity of the airplane. See the MCAI for additional background information.

You may examine the MCAI in the AD docket on the internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2019-0860.

#### Related Service Information Under 14 CFR Part 51

Dassault Aviation has issued Chapter 5-40-01, Airworthiness Limitations, Revision 10, dated January 1, 2019, of the Dassault Aviation Falcon 20 Maintenance Manual, specifically for aircraft that have incorporated the supplemental structural inspection program (SSIP). This service information describes airworthiness limitations for safe life limits.

This proposed AD would also require Chapter 5-40-01, Airworthiness Limitations, DMD 44729, Revision 9, dated November 29, 2017, of the Dassault Aviation Falcon 20 Maintenance Manual, which the Director of the Federal Register approved for incorporation by reference as of April 8, 2019 (84 FR 7269, March 4, 2019).

This service information is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section.

#### FAA’s Determination

This product has been approved by the aviation authority of another country, and is approved for operation in the United States. Pursuant to our bilateral agreement with the State of Design Authority, we have been notified of the unsafe condition described in the MCAI and service information referenced above. The FAA is proposing this AD because the agency evaluated all the relevant information and determined the unsafe condition described previously is likely to exist or develop on other products of the same type design.

#### Proposed Requirements of This NPRM

This proposed AD would retain all requirements of AD 2019-03-14. This proposed AD would also require revising the existing maintenance or inspection program, as applicable, to incorporate new or more restrictive airworthiness limitations.

This proposed AD would require revisions to certain operator maintenance documents to include new actions (e.g., inspections). Compliance with these actions is required by 14 CFR 91.403(c). For airplanes that have been previously modified, altered, or repaired in the areas addressed by this proposed AD, the operator may not be able to accomplish the actions described in the revisions. In this situation, to comply with 14 CFR 91.403(c), the operator must request approval for an alternative method of compliance according to paragraph (l)(1) of this proposed AD.

### Costs of Compliance

The FAA estimates that this proposed AD affects 61 airplanes of U.S. registry.

The FAA estimates the following costs to comply with this proposed AD:

The FAA estimates the total cost per operator for the retained actions from AD 2019–03–14 to be \$7,650 (90 work-hours × \$85 per work-hour).

The FAA has determined that revising the maintenance or inspection program takes an average of 90 work-hours per operator, although the FAA recognizes that this number may vary from operator to operator. In the past, the FAA has estimated that this action takes 1 work-hour per airplane. Since operators incorporate maintenance or inspection program changes for their affected fleet(s), the FAA has determined that a per-operator estimate is more accurate than a per-airplane estimate.

The FAA estimates the total cost per operator for the new proposed actions to be \$7,650 (90 work-hours × \$85 per work-hour).

### Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. Subtitle VII: Aviation Programs, describes in more detail the scope of the Agency's authority.

The FAA is issuing this rulemaking under the authority described in Subtitle VII, Part A, Subpart III, Section 44701: "General requirements." Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

This proposed AD is issued in accordance with authority delegated by the Executive Director, Aircraft Certification Service, as authorized by FAA Order 8000.51C. In accordance with that order, issuance of ADs is normally a function of the Compliance and Airworthiness Division, but during this transition period, the Executive Director has delegated the authority to issue ADs applicable to transport category airplanes and associated appliances to the Director of the System Oversight Division.

### Regulatory Findings

The FAA determined that this proposed AD would not have federalism

implications under Executive Order 13132. This proposed AD would not have a substantial direct effect on the 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.

For the reasons discussed above, I certify this proposed regulation:

- (1) Is not a "significant regulatory action" under Executive Order 12866,
- (2) Will not affect intrastate aviation in Alaska, and
- (3) Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

### List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

### The Proposed Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA proposes to amend 14 CFR part 39 as follows:

### PART 39—AIRWORTHINESS DIRECTIVES

- 1. The authority citation for part 39 continues to read as follows:

**Authority:** 49 U.S.C. 106(g), 40113, 44701.

#### § 39.13 [Amended]

- 2. The FAA amends § 39.13 by removing Airworthiness Directive (AD) 2019–03–14, Amendment 39–19566 (84 FR 7269, March 4, 2019); and adding the following new AD:

**Dassault Aviation:** Docket No. FAA–2019–0860; Product Identifier 2019–NM–123–AD.

#### (a) Comments Due Date

The FAA must receive comments by December 19, 2019.

#### (b) Affected ADs

- (1) This AD replaces AD 2019–03–14, Amendment 39–19566 (84 FR 7269, March 4, 2019) ("AD 2019–03–14").
- (2) This AD affects AD 2010–26–05, Amendment 39–16544 (75 FR 79952, December 21, 2010) ("AD 2010–26–05").

#### (c) Applicability

This AD applies to Dassault Aviation Model FAN JET FALCON, FAN JET FALCON SERIES C, D, E, F, and G airplanes, certificated in any category, on which the supplemental structural inspection program (SSIP) has been incorporated into the airplane's maintenance program.

#### (d) Subject

Air Transport Association (ATA) of America Code 05, Time limits/maintenance checks.

#### (e) Reason

This AD was prompted by a determination that new or more restrictive airworthiness limitations are necessary. The FAA is issuing this AD to address, among other things, fatigue cracking and damage in principal structural elements; such fatigue cracking and damage could result in reduced structural integrity of the airplane.

#### (f) Compliance

Comply with this AD within the compliance times specified, unless already done.

#### (g) Retained Revision, With No Changes

This paragraph restates the requirements of paragraph (g) of AD 2019–03–14, with no changes. Within 90 days after April 8, 2019 (the effective date of AD 2019–03–14), revise the existing maintenance or inspection program, as applicable, to incorporate the information specified in Chapter 5–40–01, Airworthiness Limitations, DMD 44729, Revision 9, dated November 29, 2017, of the Dassault Aviation Falcon 20 Maintenance Manual. The initial compliance time for doing the tasks is at the time specified in Chapter 5–40–01, Airworthiness Limitations, DMD 44729, Revision 9, dated November 29, 2017, of the Dassault Aviation Falcon 20 Maintenance Manual, or within 90 days after April 8, 2019 (the effective date of AD 2019–03–14), whichever occurs later. Where the threshold column in the table in paragraph B, Mandatory Maintenance Operations, of Chapter 5–40–01, Airworthiness Limitations, DMD 44729, Revision 9, dated November 29, 2017, of the Dassault Aviation Falcon 20 Maintenance Manual specifies a compliance time in years, those compliance times start from the date of issuance of the original airworthiness certificate or date of issuance of the original export certificate of airworthiness.

#### (h) Retained No Alternative Actions or Intervals With a New Exception

This paragraph restates the requirements of paragraph (h) of AD 2019–03–14, with a new exception. Except as required by paragraph (i) of this AD, after accomplishing the revision required by paragraph (g) of this AD, no alternative actions (e.g., inspections) or intervals may be used unless the actions and intervals are approved as an alternative method of compliance (AMOC) in accordance with the procedures specified in paragraph (l)(1) of this AD.

#### (i) New Requirement of This AD: Maintenance or Inspection Program Revision

Within 90 days after the effective date of this AD, revise the existing maintenance or inspection program, as applicable, to incorporate the information specified in Chapter 5–40–01, Airworthiness Limitations, Revision 10, dated January 1, 2019, of the Dassault Aviation Falcon 20 Maintenance Manual. The initial compliance time for doing the tasks is at the time specified in Chapter 5–40–01, Airworthiness Limitations, Revision 10, dated January 1, 2019, of the Dassault Aviation Falcon 20 Maintenance Manual, or within 90 days after the effective

date of this AD, whichever occurs later. Where the threshold column in the table in paragraph B, Mandatory Maintenance Operations, of Chapter 5–40–01, Airworthiness Limitations, Revision 10, dated January 1, 2019, of the Dassault Aviation Falcon 20 Maintenance Manual specifies a compliance time in years, those compliance times start from the date of issuance of the original airworthiness certificate or the original export certificate of airworthiness. Accomplishing the actions required by this paragraph terminates the actions required by paragraph (g) of this AD.

**(j) New No Alternative Actions or Intervals**

After the existing maintenance or inspection program has been revised as required by paragraph (i) of this AD, no alternative actions (e.g., inspections) or intervals may be used unless the actions or intervals are approved as an AMOC in accordance with the procedures specified in paragraph (l)(1) of this AD.

**(k) Terminating Actions for Certain Actions in AD 2010–26–05**

Accomplishing the actions required by paragraph (g) or (i) of this AD terminates the requirements of paragraph (g)(1) of AD 2010–26–05, for Dassault Aviation Model FAN JET FALCON, FAN JET FALCON SERIES C, D, E, F, and G airplanes.

**(l) Other FAA AD Provisions**

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs)*: The Manager, International Section, Transport Standards Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the International Section, send it to the attention of the person identified in paragraph (m)(2) of this AD. Information may be emailed to 9-ANM-116-AMOC-REQUESTS@faa.gov.

(i) Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(ii) AMOCs approved previously for AD 2019–03–14 are approved as AMOCs for the corresponding provisions of this AD.

(2) *Contacting the Manufacturer*: As of the effective date of this AD, for any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the Manager, International Section, Transport Standards Branch, FAA; or the European Union Aviation Safety Agency (EASA); or Dassault Aviation's EASA Design Organization Approval (DOA). If approved by the DOA, the approval must include the DOA-authorized signature.

**(m) Related Information**

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) EASA AD 2019–0142, dated June 17, 2019, for related information. This MCAI may be found in the

AD docket on the internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA–2019–0860.

(2) For more information about this AD, contact Tom Rodriguez, Aerospace Engineer, International Section, Transport Standards Branch, FAA, 2200 South 216th St., Des Moines, WA 98198; telephone and fax 206–231–3226.

(3) For service information identified in this AD, contact Dassault Falcon Jet Corporation, Teterboro Airport, P.O. Box 2000, South Hackensack, NJ 07606; telephone 201–440–6700; internet <https://www.dassaultfalcon.com>. You may view this service information at the FAA, Transport Standards Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206–231–3195.

Issued in Des Moines, Washington, on October 29, 2019.

**Dionne Palermo,**

*Acting Director, System Oversight Division, Aircraft Certification Service.*

[FR Doc. 2019–23990 Filed 11–1–19; 8:45 am]

**BILLING CODE 4910–13–P**

**DEPARTMENT OF THE TREASURY**

**Internal Revenue Service**

**26 CFR Part 1**

[REG–123112–19]

RIN 1545–BP51

**The Treatment of Certain Interests in Corporations as Stock or Indebtedness**

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Advance notice of proposed rulemaking.

**SUMMARY:** This document announces that the Department of the Treasury (Treasury Department) and the IRS intend to issue proposed regulations regarding the treatment of certain interests in corporations as stock or indebtedness and requests comments from the public regarding the contemplated rules. This document also announces that, following the expiration of the 2016 Temporary Regulations (described in the Background section of this advance notice of proposed rulemaking), a taxpayer may rely on the 2016 Proposed Regulations (also described in the Background) until further notice is given in the **Federal Register**, provided that the taxpayer consistently applies the rules in the 2016 Proposed Regulations in their entirety.

**DATES:** Written or electronic comments must be received by February 3, 2020.

**ADDRESSES:** Submit electronic submissions via the Federal

eRulemaking Portal at <https://www.regulations.gov> (indicate IRS and REG–123112–19) by following the online instructions for submitting comments. Once submitted to the Federal eRulemaking Portal, comments cannot be edited or withdrawn. The Treasury Department and the IRS will publish for public availability any comment received to its public docket, whether submitted electronically or in hard copy. Send hard copy submissions to: CC:PA:LPD:PR (REG–123112–19), Room 5203, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044.

**FOR FURTHER INFORMATION CONTACT:** Concerning the proposals, Azeka J. Abramoff at (202) 317–6938; concerning submissions of comments, Regina Johnson at (202) 317–6901 (not toll-free numbers).

**SUPPLEMENTARY INFORMATION:**

**Background**

*I. Overview*

Section 385 authorizes the Secretary of the Treasury or his delegate (Secretary) to prescribe rules to determine whether an interest in a corporation is treated as stock or indebtedness (or as in part stock and in part indebtedness). On October 21, 2016, the Treasury Department and the IRS published T.D. 9790 in the **Federal Register** (81 FR 72858), which included final regulations under section 385 and temporary regulations under section 385 (Temporary Regulations). On the same date, the Treasury Department and the IRS also published a notice of proposed rulemaking (REG–130314–16) in the **Federal Register** (81 FR 72751) (2016 Proposed Regulations) by cross-reference to the Temporary Regulations, which include §§ 1.385–3T and 1.385–4T. Technical corrections to the final regulations and the Temporary Regulations were published in the **Federal Register** (82 FR 8169) on January 24, 2017.

The final regulations under section 385, the Temporary Regulations, and the 2016 Proposed Regulations address the classification of certain related-party debt as debt or equity for Federal tax purposes. Treasury Decision 9790 included rules set forth in § 1.385–2, which establish minimum documentation requirements that ordinarily must be satisfied in order for debt obligations among related parties to be treated as debt for Federal tax purposes (Documentation Regulations). Treasury Decision 9790 also included §§ 1.385–3, 1.385–3T, and 1.385–4T, which treat as stock certain debt that is issued by a corporation to a controlling