

**III. Compliance With Executive Orders 12866, 13771, 12988, and 13132, the Paperwork Reduction Act (44 U.S.C., Ch. 35), and the Regulatory Flexibility Act (5 U.S.C. 601–612)**

*A. Executive Order 12866*

The Office of Management and Budget (OMB) has determined that this rule does not constitute a significant regulatory action for purposes of Executive Order 12866 and is not a major rule under the Congressional Review Act, 5 U.S.C. 801, *et seq.*

*B. Executive Order 13771*

This proposed rule is expected to be an Executive Order 13771 deregulatory action with an annualized net savings of \$29,731 and a net present value of \$424,722, both in 2016 dollars.

The four regulations in the SDVO program are either unnecessary or redundant. Their removal will assist the public by simplifying the SBA's regulations in the CFR and reduce the time spent reviewing them. The cost saving calculation assumes 2 percent of the 21,750 SDVO small businesses per year (or about 435) will save 30 minutes from not reading this removed information. This time is valued at a rate of \$75.57 per hour—the wage of an attorney according to 2018 Bureau of Labor Statistics (BLS) data adding 30 percent more for benefits. This produces savings to SDVO small businesses per year of \$16,436 in current dollars.

The cost savings also includes a savings to the government, assuming that 2 percent of the 38,000 Federal contracting officers per year (or about 760) will save 30 minutes from not reading this removed information. This time is valued at a rate of \$54.21—assuming the average Federal contracting officer is a GS-12 step 1 (DC locality) and adding 30 percent more for benefits, for savings of \$20,600. This produces total savings per year of \$37,036 in current dollars.

In the first year, it is assumed that 5 percent of SDVO small businesses (about 1,088) and 5 percent of Federal contracting officers (about 1,900) would read this **Federal Register** proposed rule which is estimated to take 30 minutes per SDVO small business at \$75.57 per hour and \$54.21 per hour per Federal contracting officer, producing cost in the first year of \$92,591 (\$41,091 for SDVO small businesses and \$51,500 for the Federal Government). This cost is not expected to continue in subsequent years.

Table 1 displays the costs and savings of this rule over the first 2 years it is published, with the savings and costs in the second year expected to continue

into perpetuity. Table 2 presents the annualized net savings in 2016 dollars.

**TABLE 1—SCHEDULE OF COSTS/(SAVINGS) OVER 2 YEAR HORIZON, CURRENT DOLLARS**

	Savings	Costs
Year 1 ..	598 hours .....	1,494 hours. (\$37,036) .....
Year 2 ..	598 hours .....	0 hours. (\$37,036) .....

**TABLE 2—ANNUALIZED SAVINGS IN PERPETUITY WITH 7% DISCOUNT RATE, 2016 DOLLARS**

	Estimate
Annualized Savings .....	(\$35,544)
Annualized Costs .....	5,813
Annualized Net Savings .....	(29,731)

*C. Executive Order 12988*

This action meets applicable standards set forth in Sec. 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden. The action does not have retroactive or preemptive effect.

*D. Executive Order 13132*

This rule does not have federalism implications as defined in Executive Order 13132. It will not have substantial direct effects 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, as specified in the Executive Order. As such, it does not warrant the preparation of a Federalism Assessment.

*E. Paperwork Reduction Act, (5 U.S.C. 601–612)*

SBA has determined that this final rule does not affect any existing collection of information.

*F. Regulatory Flexibility Act, 5 U.S.C. 601–612*

When an agency issues a rulemaking proposal, the Regulatory Flexibility Act (RFA) requires the agency to “prepare and make available for public comment an initial regulatory flexibility analysis” which will “describe the impact of the proposed rule on small entities.” (5 U.S.C. 603(a)). Section 605 of the RFA allows an agency to certify a rule, in lieu of preparing an analysis, if the proposed rulemaking is not expected to have a significant economic impact on a substantial number of small entities.

There are approximately 21,750 SDVO small businesses and all can be affected by this rule. However, this rule would remove regulations that are unnecessary or redundant, saving these entities time in reading the regulations. The annualized net savings to SDVO small businesses is \$13,748 in current dollars, or less than a dollar per SDVO small business, as detailed in the Executive Order 13771 discussion above.

Accordingly, the Administrator of SBA hereby certifies that this rule will not have a significant economic impact on a substantial number of small entities. SBA invites comment from the public on this certification.

**List of Subjects in 13 CFR Part 125**

Government contracts, Government procurement, Reporting and recordkeeping requirements, Small businesses, Technical assistance, Veterans.

Accordingly, for the reasons stated in the preamble, SBA proposes to amend 13 CFR part 125 as follows:

**PART 125—GOVERNMENT CONTRACTING PROGRAMS**

- 1. The authority citation for part 125 is revised to read as follows:

**Authority:** 15 U.S.C. 632(p), (q), 634(b)(6), 637, 644, 657(f), 657q, and 657s; 38 U.S.C. 501 and 8127.

**§§ 125.15, 125.16, 125.19, and 125.20 [Removed and Reserved]**

- 2. Remove and reserve §§ 125.15, 125.16, 125.19, and 125.20.

Dated: January 17, 2020.

**Jovita Carranza,**  
*Administrator.*

[FR Doc. 2020-01990 Filed 2-3-20; 8:45 am]

**BILLING CODE 8025-01-P**

**DEPARTMENT OF TRANSPORTATION**

**Federal Aviation Administration**

**14 CFR Part 39**

**[Docket No. FAA-2020-0089; Product Identifier 2019-NM-159-AD]**

**RIN 2120-AA64**

**Airworthiness Directives; The Boeing Company Airplanes**

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

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

**SUMMARY:** The FAA proposes to adopt a new airworthiness directive (AD) for

certain The Boeing Company Model 737-700, -800, and -900ER series airplanes. This proposed AD was prompted by a report of unshimmed gaps at a certain inner chord. This proposed AD would require a general visual inspection for repairs of a certain inner chord, a detailed inspection for unshimmed gaps of the frame inner chord, and applicable on-condition actions. 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 March 20, 2020.

**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 Boeing Commercial Airplanes, Attention: Contractual & Data Services (C&DS), 2600 Westminster Blvd., MC 110-SK57, Seal Beach, CA 90740-5600; telephone 562-797-1717; internet <https://www.myboeingfleet.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. It is also available on the internet at <https://www.regulations.gov> by searching for and locating Docket No. FAA-2020-0089.

### 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-2020-0089; 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:** Greg Rutar, Aerospace Engineer, Airframe Section, FAA, Seattle ACO Branch, 2200

South 216th St., Des Moines, WA 98189; phone and fax: 206-231-3529; email: [Greg.Rutar@faa.gov](mailto:Greg.Rutar@faa.gov).

### 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-2020-0089; Product Identifier 2019-NM-159-AD” at the beginning of your comments. The FAA specifically invites comments on the overall regulatory, economic, environmental, and energy aspects of this NPRM. The FAA will consider all comments received by the closing date and may amend this NPRM because of 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 proposed AD.

### Discussion

The FAA has received a report of unshimmed gaps found during production at the station (STA) 727 frame inner chord common to the stringer (S) 18A web on multiple airplanes, on both the left and right sides of the fuselage. Airplanes that were found to have gaps in production were corrected prior to delivery; however, a quality investigation determined that certain airplanes previously delivered might have gaps. These gaps could initiate early cracking in fatigue critical baseline structure (FCBS). Such cracking, if not addressed, may result in the inability of a principal structural element (PSE) to sustain limit load and adversely affect the structural integrity of the airplane.

### Related Service Information Under 1 CFR Part 51

The FAA reviewed Boeing Alert Requirements Bulletin 737-53A1385 RB, dated August 16, 2019. This service information describes procedures for a general visual inspection for repairs of the STA 727 frame inner chord at S-18A, a detailed inspection for unshimmed gaps of the frame inner chord at S-18A, and applicable on-condition actions including an initial high frequency eddy current inspection for cracking of the frame inner chord at S-18A, repair, shim installation between the frame inner chord and S-18A, and repetitive high frequency eddy

current inspections for cracking of the frame inner chord at S-18A.

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

The FAA is proposing this AD because we evaluated all the relevant information and determined the unsafe condition described previously is likely to exist or develop in other products of the same type design.

### Proposed AD Requirements

This proposed AD would require accomplishment of the actions identified in Boeing Alert Requirements Bulletin 737-53A1385 RB, dated August 16, 2019, described previously, except for any differences identified as exceptions in the regulatory text of this proposed AD.

For information on the procedures and compliance times, see this service information at <https://www.regulations.gov> by searching for and locating Docket No. FAA-2020-0089.

### Explanation of Requirements Bulletin

The FAA worked in conjunction with industry, under the Airworthiness Directive Implementation Aviation Rulemaking Committee (AD ARC), to enhance the AD system. One enhancement is a process for annotating which steps in the service information are “required for compliance” (RC) with an AD. Boeing has implemented this RC concept into Boeing service bulletins.

In an effort to further improve the quality of ADs and AD-related Boeing service information, a joint process improvement initiative was worked between the FAA and Boeing. The initiative resulted in the development of a new process in which the service information more clearly identifies the actions needed to address the unsafe condition in the “Accomplishment Instructions.” The new process results in a Boeing Requirements Bulletin, which contains only the actions needed to address the unsafe condition (i.e., only the RC actions).

### Costs of Compliance

The FAA estimates that this proposed AD affects 56 airplanes of U.S. registry. The FAA estimates the following costs to comply with this proposed AD:

## ESTIMATED COSTS FOR REQUIRED ACTIONS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Inspection for repairs .....	3 work-hours × \$85 per hour = \$255 .....	\$0	\$255	\$14,280.
Detailed inspection .....	1 work-hour × \$85 per hour = \$85 .....	0	85	Up to \$4,760.

The FAA estimates the following costs to do any necessary on-condition

actions that would be required. The FAA has no way of determining the

number of aircraft that might need these on-condition actions:

## ESTIMATED COSTS OF ON-CONDITION ACTIONS

Action	Labor cost	Parts cost	Cost per product
HFEC inspection .....	Up to 3 work-hours × \$85 per hour = \$255 .....	\$0	\$255
Shim installation .....	2 work-hours × \$85 per hour = \$170 .....	0	170

The FAA has received no definitive data that would enable the agency to provide cost estimates for the on-condition alternative inspections and certain repair and on-condition actions specified in this proposed AD.

According to the manufacturer, some or all of the costs of this proposed AD may be covered under warranty, thereby reducing the cost impact on affected individuals. The FAA does not control warranty coverage for affected individuals. As a result, the FAA has included all known costs in the cost estimate.

**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.

**Regulatory Findings**

The FAA has 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 adding the following new airworthiness directive (AD):

**The Boeing Company:** Docket No. FAA-2020-0089; Product Identifier 2019-NM-159-AD.

**(a) Comments Due Date**

The FAA must receive comments by March 20, 2020.

**(b) Affected ADs**

None.

**(c) Applicability**

This AD applies to The Boeing Company Model 737-700, -800, and -900ER series

airplanes, certificated in any category, as identified in Boeing Alert Requirements Bulletin 737-53A1385 RB, dated August 16, 2019.

**(d) Subject**

Air Transport Association (ATA) of America Code 53, Fuselage.

**(e) Unsafe Condition**

This AD was prompted by a report of unshimmed gaps at the station (STA) 727 frame inner chord common to the stringer (S) 18A web. The FAA is issuing this AD to address such gaps, which may initiate early cracking in fatigue critical baseline structure (FCBS) and result in the inability of a principal structural element (PSE) to sustain limit load and adversely affect the structural integrity of the airplane.

**(f) Compliance**

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

**(g) Required Actions**

Except as specified by paragraph (h) of this AD: At the applicable times specified in the "Compliance" paragraph of Boeing Alert Requirements Bulletin 737-53A1385 RB, dated August 16, 2019, do all applicable actions identified in, and in accordance with, the Accomplishment Instructions of Boeing Alert Requirements Bulletin 737-53A1385 RB, dated August 16, 2019.

**Note 1 to paragraph (g):** Guidance for accomplishing the actions required by this AD can be found in Boeing Alert Service Bulletin 737-53A1385, dated August 16, 2019, which is referred to in Boeing Alert Requirements Bulletin 737-53A1385 RB, dated August 16, 2019.

**(h) Exceptions to Service Information Specifications**

- (1) For purposes of determining compliance with the requirements of this AD: Where Boeing Alert Requirements Bulletin 737-53A1385 RB, dated August 16, 2019, uses the phrase "the original issue date of the Requirements Bulletin 737-53A1385 RB" or "the original issue date of Requirements Bulletin 737-53A1385 RB," this AD requires

using “the effective date of this AD,” except where Boeing Alert Requirements Bulletin 737–53A1385 RB, dated August 16, 2019, uses the phrase “the original issue date of Requirements Bulletin 737–53A1385 RB” in a note or flag note.

(2) Where Boeing Alert Requirements Bulletin 737–53A1385 RB, dated August 16, 2019, specifies contacting Boeing for repair instructions, alternative inspections, and applicable on-condition actions: This AD requires accomplishing those actions using a method approved in accordance with the procedures specified in paragraph (i) of this AD.

**(i) Alternative Methods of Compliance (AMOCs)**

(1) The Manager, Seattle ACO 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 manager of the certification office, send it to the attention of the person identified in paragraph (j)(1) of this AD. Information may be emailed to 9-ANM-Seattle-ACO-AMOC-Requests@faa.gov.

(2) 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.

(3) An AMOC that provides an acceptable level of safety may be used for any repair, modification, or alteration required by this AD if it is approved by The Boeing Company Organization Designation Authorization (ODA) that has been authorized by the Manager, Seattle ACO Branch, FAA, to make those findings. To be approved, the repair method, modification deviation, or alteration deviation must meet the certification basis of the airplane, and the approval must specifically refer to this AD.

**(j) Related Information**

(1) For more information about this AD, contact Greg Rutar, Aerospace Engineer, Airframe Section, FAA, Seattle ACO Branch, 2200 South 216th St., Des Moines, WA 98198; phone and fax: 206–231–3529; email: Greg.Rutar@faa.gov.

(2) For service information identified in this AD, contact Boeing Commercial Airplanes, Attention: Contractual & Data Services (C&DS), 2600 Westminster Blvd., MC 110–SK57, Seal Beach, CA 90740–5600; telephone 562–797–1717; internet <https://www.myboeingfleet.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.

Issued on January 28, 2020.

**Gaetano A. Sciortino,**

*Deputy Director for Strategic Initiatives,  
Compliance & Airworthiness Division,  
Aircraft Certification Service.*

[FR Doc. 2020–02016 Filed 2–3–20; 8:45 am]

**BILLING CODE 4910–13–P**

**DEPARTMENT OF TRANSPORTATION**

**Federal Aviation Administration**

**14 CFR Part 39**

**[Docket No. FAA–2017–0967; Product Identifier 2017–NE–35–AD]**

**RIN 2120–AA64**

**Airworthiness Directives; GE Aviation Czech s.r.o. Turboprop Engines**

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

**ACTION:** Supplemental Notice of proposed rulemaking (SNPRM); reopening of comment period.

**SUMMARY:** The FAA is revising an earlier proposal for all GE Aviation Czech s.r.o. M601D–11, M601E–11, M601E–11A, M601E–11AS, M601E–11S, M601F, H80, H80–100, H80–200, H75–100, H75–200, H85–100, and H85–200 turboprop engines. This action revises the notice of proposed rulemaking (NPRM) by revising the compliance time requirements for replacement of affected engine outlet system hardware. The FAA is proposing this airworthiness directive (AD) to address the unsafe condition on these products. At the request of some commenters, the FAA is reopening the comment period to allow the public the chance to comment on these changes.

**DATES:** The comment period for the NPRM published in the **Federal Register** on January 24, 2018 (83 FR 3287), is reopened.

The FAA must receive comments on this SNPRM by March 20, 2020.

**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 SNPRM, contact GE Aviation Czech s.r.o., Beranových 65, 199 02 Praha 9–Letňany, Czech Republic; phone: +420 222 538 111; fax: +420 222 538 222. You may view this service information at the FAA, Engine and Propeller Standards Branch, 1200 District Avenue, Burlington, MA 01803. For information

on the availability of this material at the FAA, call 781–238–7759.

**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–2017–0967; 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 SNPRM, the mandatory continuing airworthiness information (MCAI), 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:**

Barbara Caufield, Aerospace Engineer, ECO Branch, FAA, 1200 District Avenue, Burlington, MA 01803; phone: 781–238–7146; fax: 781–238–7199; email: [barbara.caufield@faa.gov](mailto:barbara.caufield@faa.gov).

**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–2017–0967; Product Identifier 2017–NE–35–AD” at the beginning of your comments. The FAA specifically invites comments on the overall regulatory, economic, environmental, and energy aspects of this SNPRM. The FAA will consider all comments received by the closing date and may amend this SNPRM because of those comments.

Except for Confidential Business Information (CBI) as described in the following paragraph, and other information as described in 14 CFR 11.35, 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 proposed AD.

**Confidential Business Information**

Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to this SNPRM contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or