

accordance with 5 U.S.C. 605(b), the Finance Board hereby certifies that this proposed rule, if promulgated as a final rule, will not have a significant economic impact on a substantial number of small entities.

List of Subjects in 12 CFR Part 934

Federal home loan banks, Securities, Surety bonds.

Accordingly, the Federal Housing Finance Board hereby proposes to amend title 12, chapter IX, subchapter B, part 934, of the Code of Federal Regulations, as follows:

PART 934—OPERATIONS OF THE BANKS

1. The authority citation for part 934 is revised to read as follows:

Authority: 12 U.S.C. 1422a, 1422b, 1442.

2. Section 934.6 is revised to read as follows:

§ 934.6 Budget preparation and reporting requirements.

(a) *Adoption of annual Bank budget.*

(1) Each Bank's board of directors shall be responsible for the adoption of an annual operating expense and capital expenditures budget for the Bank, and any subsequent amendments thereto, consistent with the requirements of the Act, this section, and other regulations and policies of the Board.

(2) A Bank's board of directors may not delegate the authority to approve the Bank's annual budget, or any subsequent amendments thereto, to Bank officers or other Bank employees.

(3) A Bank's annual budget shall be prepared based upon an interest rate scenario provided by the Board.

(4) A Bank may not exceed its annual budget limits without prior approval by the Bank's board of directors of an amendment to such budget.

(b) *Annual budget report.* Each Bank shall submit to the Board, by January 31 of each year, in accordance with reporting formats and as further prescribed by the Board, a report containing such Bank budget and other financial information as the Board shall require, which may include the following:

- (1) Balance sheet projections;
- (2) Income statement projections, including operating expense budget data and staffing levels;
- (3) Capital expenditures budget data;
- (4) Management discussion of expected financial performance;
- (5) Strategic or business plan; and
- (6) A copy of the FHLBank's board of directors resolution adopting the FHLBank's annual operating expense and capital expenditures budget.

(c) *Report on amendments to annual budget.* A Bank shall submit promptly to the Board a copy of the Bank's board of directors resolution adopting any amendment to the Bank's annual budget.

(d) *Mid-year reforecasting report.* Each Bank shall submit to the Board, by July 31 of each year, in accordance with reporting formats and as further prescribed by the Board, a report containing a balance sheet and income statement setting forth reforecasted projections for the year relative to the original budget for that year, including a management discussion explaining any significant changes in the reforecasted projections from the original budget.

(e) *Annual actual performance results report.* Each Bank shall submit to the Board, by January 31 of each year, in accordance with reporting formats and as further prescribed by the Board, a report containing a balance sheet and income statement setting forth the actual performance results for the prior year relative to the original budget for that year, including a management discussion explaining any significant changes in the actual performance results from the original budget.

Dated: July 25, 1996.

By the Board of Directors of the Federal Housing Finance Board.

Bruce A. Morrison,
Chairman.

[FR Doc. 96-20212 Filed 8-8-96; 8:45 am]

BILLING CODE 6725-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 95-NM-167-AD]

RIN 2120-AA64

Airworthiness Directives; Beech (Raytheon) Model BAe 125 Series 1000A and Model Hawker 1000 Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to certain Beech (Raytheon) Model BAe series 1000A and Model Hawker 1000 airplanes. This proposal would require modifications of the thrust reversers. This proposal is prompted by a review of the certification analysis of the thrust

reversers and by testing of the thrust reversers, which indicated that additional design features are necessary to prevent failure of the driver link and the inadvertent deployment of a thrust reverser during flight. The actions specified by the proposed AD are intended to prevent inadvertent deployment of a thrust reverser during flight, which could result in reduced controllability of the airplane.

DATES: Comments must be received by September 17, 1996.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 95-NM-167-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from Raytheon Aircraft Company, Manager Service Engineering, Hawker Customer Support Department, P.O. Box 85, Wichita, Kansas 67201-0085. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: Tim Backman, Aerospace Engineer, Standardization Branch, ANM-113, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (206) 227-2797; fax (206) 227-1149.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this

proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 95-NM-167-AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 95-NM-167-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

Discussion

The Civil Aviation Authority (CAA), which is the airworthiness authority for the United Kingdom, recently notified the FAA that an unsafe condition may exist on certain Beech (Raytheon) Model BAe 125 series 1000A and Model Hawker 1000 airplanes. The CAA advises that the manufacturer of the thrust reversers has conducted a review of the certification analysis of the thrust reversers, and has tested the thrust reversers installed on these airplanes in service. As a result of this analysis and testing, the manufacturer has found that additional design features are necessary in order to prevent:

1. the failure of the driver link and
2. the inadvertent deployment of a thrust reverser during flight.

Inadvertent deployment of a thrust reverser during flight, if not corrected, could result in reduced controllability of the airplane.

Explanation of Relevant Service Information

Raytheon, the original airframe manufacturer, has issued Hawker Service Bulletin SB.78-14-3691A,B&E, dated June 21, 1995, which describes procedures for modifications of the thrust reversers (specified as Modifications 253691 Part A, Part B, and Part E), as follows:

Accomplishment of Modifications 253691 Part A and Part B entails installing an electrical connector at each engine pylon firewall and changing certain wiring. Accomplishment of these modifications adds an unlock indication for the secondary locks using the existing thrust reverser UNLCK annunciator.

Accomplishment of Modification 253691 Part E involves installing upper and lower secondary locks, upper and lower secondary lock microswitches,

and associated electrical wiring assemblies to the engine pylon firewall.

The Hawker service bulletin references Rohr Service Bulletin PW300 78-8, dated June 21, 1995, as an additional source of information for accomplishment of the modification.

The CAA classified the Hawker service bulletin as mandatory in order to assure the continued airworthiness of these airplanes in the United Kingdom.

FAA's Conclusions

This airplane model is manufactured in the United Kingdom and is type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the CAA has kept the FAA informed of the situation described above. The FAA has examined the findings of the CAA, reviewed all available information, and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

Explanation of Requirements of Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other airplanes of the same type design, the proposed AD would require modifications of the thrust reversers. The actions would be required to be accomplished in accordance with the Hawker service bulletin described previously.

Cost Impact

The FAA estimates that 23 airplanes of U.S. registry would be affected by this proposed AD, that it would take approximately 110 work hours per airplane (excluding time to gain access and functional testing) to accomplish the proposed actions, and that the average labor rate is \$60 per work hour. Required parts would be provided by the manufacturer at no cost to operators. Based on these figures, the cost impact of the proposed AD on U.S. operators is estimated to be \$151,800, or \$6,600 per airplane.

The cost impact figure discussed above is based on assumptions that no operator has yet accomplished any of the proposed requirements of this AD action, and that no operator would accomplish those actions in the future if this AD were not adopted.

Regulatory Impact

The regulations proposed herein would 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. Therefore, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this proposed regulation (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, 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. A copy of the draft regulatory evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend part 39 of the Federal Aviation Regulations (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. Section 39.13 is amended by adding the following new airworthiness directive:

Beech Aircraft Corporation (Formerly deHavilland; Hawker Siddeley; British Aerospace, plc; Raytheon Corporate Jets, Inc.): Docket 95-NM-167-AD.

Applicability: Model BAe series 1000A and Model Hawker 1000 airplanes; as identified in Hawker Service Bulletin SB.78-14-3691A,B&E, dated June 21, 1995; certificated in any category.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been otherwise modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an

alternative method of compliance in accordance with paragraph (b) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Note 2: Beech (Raytheon) Model BAe 125 series 1000B airplanes are similar in design to the airplanes that are subject to the requirements of this AD and, therefore, also may be subject to the unsafe condition addressed by this AD. However, as of the effective date of this AD, those models are not type certificated for operation in the United States. Airworthiness authorities of countries in which the Model BAe 125 series 1000B airplanes are approved for operation should consider adopting corrective action, applicable to those models, that is similar to the corrective action required by this AD.

Compliance: Required as indicated, unless accomplished previously.

To prevent inadvertent deployment of a thrust reverser during flight, and consequent reduced controllability of the airplane, accomplish the following:

(a) Within 6 months after the effective date of this AD, modify the thrust reversers by accomplishing Modifications 253691 Part A, Part B, and Part E, in accordance with Hawker Service Bulletin SB.78-14-3691A,B&E, dated June 21, 1995.

Note 3: The Hawker service bulletin references Rohr Service Bulletin PW300 78-8, dated June 21, 1995, as an additional source of service information for accomplishment of Modification 253691 Part E.

(b) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Standardization Branch, ANM-113, FAA, Transport Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Standardization Branch, ANM-113.

Note 4: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Standardization Branch, ANM-113.

(c) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Issued in Renton, Washington, on August 2, 1996.

Gary L. Killion,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 96-20291 Filed 8-8-96; 8:45 am]

BILLING CODE 4910-13-P

14 CFR Part 39

[Docket No. 95-NM-251-AD]

RIN 2120-AA64

Airworthiness Directives; British Aerospace Model BAe 146-100A, -200A, and -300A Series Airplanes, and Model Avro 146-RJ70A, -RJ85A, and RJ-100A Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to certain British Aerospace Model BAe 146 series airplanes, and Model Avro 146-RJ series airplanes. This proposal would require a one-time inspection of terminal block "D" to ensure that a two-way link is installed, and installation of a new link, if necessary. This proposal is prompted by a report indicating that a two-way link that should be installed on direct current (DC) panel No. 1 may be missing from certain airplanes. The actions specified by the proposed AD are intended to ensure that a two-way link is installed. If the link is not installed, it could result in loss of the emergency electrical system and, consequently, increased pilot workload and possible reduced controllability of the airplane.

DATES: Comments must be received by September 17, 1996.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 95-NM-251-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from British Aerospace Regional Aircraft Limited, Avro International Aerospace Division, Customer Support, Woodford Aerodrome, Woodford, Cheshire SK7 1QR, England. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: Tim Backman, Aerospace Engineer, Standardization Branch, ANM-113, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (206) 227-2797; fax (206) 227-1149.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 95-NM-251-AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 95-NM-251-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

Discussion

The Civil Aviation Authority (CAA), which is the airworthiness authority for the United Kingdom, recently notified the FAA that an unsafe condition may exist on certain British Aerospace Model BAe 146-100A, -200A, and -300A series airplanes, and Model Avro 146-RJ70A, -RJ85A, and RJ-100A airplanes. The CAA advises that it received a report indicating that a two-way link that should be installed between terminals "D8" and "D9" of terminal block "D" on direct current (DC) panel No. 1 may be missing from airplanes having a dual lead-acid battery installation. The No. 1 battery is off-line when the standby generator is operating. Installation of the two-way link ensures that the No. 2 battery also is isolated, which preserves the battery charge to ensure that emergency electrical power