

carefully reviewed by SBA personnel. SBA has ensured that language adequate to protect its interest has been built into the documentation for all of these transactions and that the transactions themselves do not add undue risk to the program. It will employ similar procedures in reviewing any transactions taking place during the pendency of the interim rule.

While interested in receiving extensive comments on its proposed rule, SBA still believes that it sets out a reasonable approach to approving sales of the unguaranteed portions of SBA loans. Accordingly, subject to compliance with all other aspects of the interim rule, SBA expects to give favorable review to any interim period transaction which complies with the retainage requirements described in the notice of proposed rulemaking. If it is presented with a transaction which is not structured in a manner consistent with such retainage requirements, SBA will need to assure itself as to safety and soundness considerations and compliance with the interim rule before giving its approval.

As expressed in both the advance notice and the notice of proposed rulemaking, SBA is concerned that there are multiple issues which need to be fully explored before this extremely complex matter is finally resolved. It is SBA's expectation that the public will comment on the substance of both the advance notice and the proposed rule during the pendency of this interim final rule, and that such comment will serve as the basis for a new final rule to be published shortly after the extended comment period closes.

Compliance With Executive Orders 12612, 12778, and 12866, the Regulatory Flexibility Act (5 U.S.C. 601, *et seq.*), and the Paperwork Reduction Act (44 U.S.C. Ch. 35).

SBA certifies that this interim final rule does not constitute a significant rule within the meaning of Executive Order 12866 and will not have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.* It believes this rule is not likely to have an annual economic effect of \$100 million or more, but requests comment from the public on its perception of the costs and benefits associated with this rule to enable it to decide whether to prepare a cost benefit analysis in conjunction with the final rule. SBA believes that the rule will not result in a major increase in costs or prices, or have a significant adverse effect on competition or the United States economy.

The rule is consistent with the mandate of section 103(e) of Public Law 104-208 that it set forth terms and conditions under which sales for the purpose of securitization can be permitted, including the maintenance of appropriate reserve requirements and other safeguards to protect the safety and soundness of the program. SBA believes that the reserve requirements and other safeguards built into the rule satisfy this concern. For the reasons set forth above, SBA believes that the rule will help SBA lenders support an increased volume of SBA lending. Finally, the rule has no negative impact on State, local, or tribal governments.

For purposes of the Paperwork Reduction Act, 44 U.S.C. Ch. 35, SBA certifies that this final rule contains no new reporting or record keeping requirements.

For purposes of Executive Order 12612, SBA certifies that this rule has no federalism implications warranting the preparation of a Federalism Assessment.

For purposes of Executive Order 12778, SBA certifies that this rule is drafted, to the extent practicable, in accordance with the standards set forth in Section 2 of that Order.

List of Subjects in 13 CFR Part 120

Business loans.

For the reasons set forth above, SBA amends Part 120 of Title 13, Code of Federal Regulations, as follows:

PART 120—BUSINESS LOANS

1. The authority citation for part 120 continues to read as follows:

Authority: 15 U.S.C. 634(b)(6) and 636 (a) and (h).

2. Section 120.420 is revised to read as follows:

§ 120.420 Financings by participating lenders.

(a) A Lender may pledge the notes evidencing SBA guaranteed loans or sell the unguaranteed portions of such loans if SBA, notwithstanding the provisions of Sec. 120.453(c), in its sole discretion, gives its prior written consent. The Lender must be secure financially and have a history of compliance with SBA's regulations and any other applicable state or Federal statutory and regulatory requirements.

(b) The Lender, SBA, and any third party involved in the transaction, as determined by SBA in its sole discretion, must enter into a written agreement satisfactory to SBA acknowledging SBA's interest as guarantor of the subject loans and accepting that all relevant third parties

agree to recognize and uphold those interests under the Act, this part, and the contractual provisions of SBA's Loan Guarantee Agreement. In any such agreement, the parties must agree to the following conditions:

(1) The Lender, SBA, or third party custodian agreeable to SBA, will hold all pertinent Loan Instruments, and the Lender will continue to service the loans after the pledge or transfer is made; and

(2) The Lender must retain an economic risk in and bear the ultimate risk of loss on the unguaranteed portions. This must be demonstrated to SBA's satisfaction by establishing a sufficient reserve fund at the time of sale of the unguaranteed portions and, in the case of pledging notes, by retaining all of the economic interest in the unguaranteed portion of any loan which a note evidences.

(c) The Lender may not use SBA guaranteed loans or the collateral supporting such loans as collateral for any borrowing not related to financing of the guaranteed or unguaranteed portion of SBA loans.

Dated: March 26, 1997.

Ginger Ehn Lew,

Acting Administrator.

[FR Doc. 97-8416 Filed 4-1-97; 8:45 am]

BILLING CODE 8025-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 96-ANM-027]

Amendment of Class E Airspace; Montrose, Colorado

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This action amends the Montrose, Colorado, Class E airspace to accommodate a new Global Positioning System (GPS) Standard Instrument Approach Procedure (SIAP) to the Montrose Regional Airport.

EFFECTIVE DATE: 0901 UTC, July 17, 1997.

FOR FURTHER INFORMATION CONTACT: Ted Melland, Operations Branch, ANM-532.1, Federal Aviation Administration, Docket No. 96-ANM-027, 1601 Lind Avenue SW., Renton, Washington 98055-4056; telephone number: (206) 227-2535.

SUPPLEMENTARY INFORMATION:

History

On January 29, 1997, the FAA proposed to amend part 71 of the

Federal Aviation Regulations (14 CFR part 71) to amend Class E airspace at Montrose, Colorado, to accommodate a new GPS SIAP to the Montrose Regional Airport (62 FR 4220).

Interested parties were invited to participate in the rulemaking proceeding by submitting written comments on the proposal. No comments were received.

The coordinates for this airspace docket are based on North American Datum 83. Class E airspace areas extending upward from the surface, and from 700 feet or more above the surface of the earth, are published in paragraph 6002 and paragraph 6005, respectively, of FAA Order 7400.9D dated September 4, 1996, and effective September 16, 1996, which is incorporated by reference in 14 CFR 71.1. The Class E airspace listed in this document will be published subsequently in the Order.

The Rule

This amendment to part 71 of Federal Aviation Regulations amends Class E airspace at Montrose, Colorado. The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore, (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

Adoption of the Amendment

In consideration of the foregoing, the FAA amends 14 CFR part 71 as follows:

PART 71—[AMENDED]

1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389; 14 CFR 11.69.

§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9D, Airspace Designations and Reporting Points,

dated September 4, 1996, and effective September 16, 1996, is amended as follows:

Paragraph 6002 Class E Airspace Areas Designated as a Surface Area for an Airport

* * * * *

ANM CO E2 Montrose, CO [Revised]

Montrose Regional Airport, CO

(Lat. 38°30'32" N, long. 107°53'38" W)

Montrose VOR/DME

(Lat. 38°30'23" N, long. 107°53'58" W)

That airspace extending upward from the surface within a 4.8-mile radius of the Montrose Regional Airport, and within 3.5 miles each side of the Montrose VOR/DME 313° radial extending from the 4.8-mile radius to 12.2 miles northwest of the VOR/DME, and within 2.5 miles each side of the Montrose VOR/DME 360° radial extending from the 4.8-mile radius to 8.5 miles north of the VOR/DME. This Class E airspace area is effective during the specific dates and times established in advance by a Notice to Airmen. The effective date and time will thereafter be continuously published in the Airport/Facility Directory.

* * * * *

Paragraph 6005 Class E Airspace Areas Extending Upward From 700 Feet or More Above the Surface of the Earth

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ANM CO E5 Montrose, CO [Revised]

Montrose Regional Airport, CO

(Lat. 38°30'32" N, long. 107°53'38" W)

Montrose VOR/DME

(Lat. 38°30'23" N, long. 107°53'58" W)

That airspace extending upward from 700 feet above the surface within 4.3 miles northeast and 8.3 miles southwest of the Montrose VOR/DME 313° and 133° radials extending from 6.1 miles southeast to 21.4 miles northwest of the VOR/DME, and within 4 miles each side of the Montrose VOR/DME 360° radial extending to 9.5 miles north of the VOR/DME; and that airspace extending upward from 1,200 feet above the surface within an area bounded by a point beginning at lat. 38°40'00" N, long. 108°46'00" W; to lat. 38°25'00" N, long. 108°42'30" W; to lat. 37°58'00" N, long. 108°10'00" W; to lat. 38°09'00" N, long. 107°35'00" W; to lat. 38°43'00" N, long. 107°39'30" W; to lat. 38°51'30" N, long. 107°41'00" W; to lat. 38°50'00" N, long. 107°53'00" W; to lat. 38°53'00" N, long. 108°03'30" W; thence to the point of beginning.

* * * * *

Issued in Seattle, Washington, on March 19, 1997.

Helen Fabian Parke,

Manager, Air Traffic Division, Northwest Mountain Region.

[FR Doc. 97–8371 Filed 4–1–97; 8:45 am]

BILLING CODE 4910–13–M

14 CFR Part 71

[Airspace Docket No. 97–AGL–11]

Modification of Class E Airspace Areas

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; request for comments.

SUMMARY: This action modifies Class E airspace areas at Minot, ND. Presently, these areas are designated as Class D airspace when the associated control tower is in operation. However, controlled airspace to the surface is needed when the control towers located at these areas are closed. The intended effect of this action is to provide adequate Class E airspace for instrument flight rule (IFR) operations when these control towers are closed.

DATES: Effective date: 0901 UTC, May 22, 1997. Comment date: Comments must be received on or before April 15, 1997.

ADDRESSES: Send comments on the rule in triplicate to: Manager, Air Traffic Division, Operations Branch, AGL–530, Docket No. 97–AGL–11, Federal Aviation Administration, 2300 East Devon Avenue, Des Plaines, Illinois 60018.

The official docket may be examined in the office of the Assistant Chief Counsel, Federal Aviation Administration, 2300 E. Devon Avenue, Des Plaines, Illinois. An informal docket may also be examined during normal business hours at the address listed above.

FOR FURTHER INFORMATION CONTACT: John A. Clayborn, Air Traffic Division, Operations Branch, AGL–530, Federal Aviation Administration, 2300 East Devon Avenue, Des Plaines, Illinois 60018, telephone (847) 294–7568.

SUPPLEMENTARY INFORMATION:

Request for Comments on the Rule

Although this action is in the form of a final rule, and was not preceded by notice and public procedure, comments are invited on the rule. When the comment period ends, the FAA will use the comments submitted, together with other available information, to review the regulation. If the FAA receives no adverse comments in response to this action, this rule will become effective on the date specified in the **DATES** section. After the review, if the FAA finds that further chances are appropriate, it will initiate rulemaking proceedings to amend the regulation.

Comments that provide the factual basis supporting the views and suggestions presented are particularly