

the Deaf (TDD) only, contact 202–263–4869; Board of Governors of the Federal Reserve System, 20th and C Streets NW., Washington, DC 20551.

SUPPLEMENTARY INFORMATION:

Background

The Board's PSR policy establishes the procedures for measuring balances intraday in institutions' accounts at the Reserve Banks by setting forth the times at which credits and debits for various types of transactions are posted to those accounts ("the posting rules").¹ The application of these posting rules determines an institution's intraday account balance and whether it has incurred a negative balance (daylight overdraft).

On September 23, 2015, the Board approved enhancements to the Reserve Banks' FedACH® SameDay Service (FedACH SameDay Service) in light of amendments to NACHA—The Electronic Payments Association's Operating Rules and Guidelines.² The NACHA amendments, as incorporated into Operating Circular 4, become effective in three phases, beginning with same-day credits in September 2016, same-day debits in September 2017, and faster funds availability in March 2018. Next-day settlement remains available.

The Board is revising the PSR policy's posting rules for same-day ACH transactions to conform to amendments to 31 CFR part 210 (part 210) announced on September 11, 2017 by Fiscal Service.³ Specifically, the amended posting rules conform to the decision of the Fiscal Service to allow Federal agencies to originate and receive same-day entries beginning September 15, 2017.⁴

Policy on Payment System Risk

The Federal Reserve Policy on Payment System Risk, section II.A, under the heading "Procedures for Measuring Daylight Overdrafts" and the

subheadings "Post at 8:30 a.m. eastern time," "Post by 1:00 p.m. eastern time," "Post at 5:00 p.m. eastern time," and "Post at 5:30 p.m. eastern time," is amended as follows:

Post at 8:30 a.m. eastern time:

- +/- Term deposit maturities and accrued interest
- +/- Government and commercial ACH transactions, including return items⁵
- +/- Commercial check transactions, including returned checks⁶
- + Treasury checks, postal money orders, local Federal Reserve Bank checks, and savings bond redemptions in separately sorted deposits; these items must be deposited by the latest applicable deposit deadline preceding the posting time
- + Advance-notice Treasury investments
- Penalty assessments for tax payments from the Treasury Investment Program (TIP).⁷

Post by 1:00 p.m. eastern time:

- +/- Commercial check transactions, including returned checks
- +/- Government and commercial FedACH SameDay Service transactions, including return items⁸

⁵ With the exception of paper returns and paper notifications of change of prior-dated items that only post at 5:00 p.m.; and paper returns of same-day forward items that only post at 5:30 p.m.

Institutions that are monitored in real time must fund the total amount of their commercial ACH credit originations in order for the transactions to be processed. If the Federal Reserve receives commercial ACH credit transactions from institutions monitored in real time after the scheduled close of the Fedwire Funds Service, these transactions will be processed at 12:30 a.m. the next business day, or by the ACH deposit deadline, whichever is earlier. The Account Balance Monitoring System provides intraday account information to the Reserve Banks and institutions and is used primarily to give authorized Reserve Bank personnel a mechanism to control and monitor account activity for selected institutions. For more information on ACH transaction processing, refer to the ACH Settlement Day Finality Guide available through the Federal Reserve Financial Services Web site at <http://www.frbservices.org>.

⁶ For the three commercial check transaction posting times, the Reserve Banks will post credits and debits to institutions' accounts for checks deposited and presented, respectively, at least 30 minutes before the posting time.

⁷ The Reserve Banks will identify and notify institutions with Treasury-authorized penalties on Thursdays. In the event that Thursday is a holiday, the Reserve Banks will identify and notify institutions with Treasury-authorized penalties on the following business day. Penalties will then be posted on the business day following notification.

⁸ With the exception of paper returns and paper notifications of change (NOCs) of prior-dated items that only post at 5:00 p.m.; paper returns of same-day forward items that only post at 5:30 p.m.; and FedLine Web returns and FedLine Web NOCs that only post at 8:30 a.m. and 5:00 p.m., depending on when the item is received by Reserve Banks.

+ Same-day Treasury investments.

Post at 5:00 p.m. eastern time:

- +/- Government and commercial FedACH SameDay Service transactions, including return items⁹

+ Treasury checks, postal money orders, and savings bond redemptions in separately sorted deposits; these items must be deposited by the latest applicable deposit deadline preceding the posting time

+ Local Federal Reserve Bank checks; these items must be presented before 3:00 p.m. eastern time

Post at 5:30 p.m. eastern time:

- +/- Government and commercial FedACH SameDay Service return transactions¹⁰
- +/- Commercial check transactions, including returned checks

By order of the Board of Governors of the Federal Reserve System, acting through the Director of the Division of Reserve Bank Operations and Payment Systems under delegated authority, October 3, 2017.

Ann E. Misback,

Secretary of the Board.

[FR Doc. 2017–21602 Filed 10–5–17; 8:45 am]

BILLING CODE P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2017–0254; Product Identifier 2017–NE–10–AD; Amendment 39–19066; AD 2017–20–09]

RIN 2120–AA64

Airworthiness Directives; General Electric Company Turbofan Engines

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for all General Electric Company (GE) CF34–8E model turbofan engines. This AD was prompted by a report that using a certain repair procedure for the fan outlet guide vane (OGV) frame could alter the strength capability of the fan OGV frame. This AD requires replacement of all fan OGV frames

⁹ With the exception of paper returns of same-day forward items that only post at 5:30 p.m.

¹⁰ With the exception of paper returns and paper notifications of change (NOCs) of prior-dated items that only post at 5:00 p.m.; and FedLine Web returns and FedLine Web NOCs that only post at 8:30 a.m. and 5:00 p.m., depending on when the item is received by Reserve Banks.

¹ The Board's PSR policy is available at https://www.federalreserve.gov/paymentsystems/files/psr_policy.pdf.

² 80 FR 58248 (Sep. 28, 2015). NACHA, whose membership consists of insured financial institutions and regional payment associations, establishes network-wide ACH rules through its Operating Rules and Guidelines. As an ACH operator, the Reserve Banks, through Operating Circular 4, incorporate NACHA's Operating Rules and Guidelines as rules that govern clearing and settlement of commercial ACH items by the Reserve Banks, except for those provisions specifically excluded in the Operating Circular.

³ The Fiscal Service amended part 210 to address changes to the NACHA Operating Rules, including NACHA's same-day amendments. See 82 FR 42597 (Sep. 11, 2017). Part 210 governs the use of ACH by Federal agencies and incorporates the NACHA Operating Rules, with certain exceptions.

⁴ 31 CFR 210.2(d)(7) (as amended Sept. 11, 2017).

repaired using this procedure. We are issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective November 13, 2017.

ADDRESSES: For service information identified in this final rule, contact General Electric Company, GE-Aviation, Room 285, 1 Neumann Way, Cincinnati, OH 45215, phone: 513-552-3272; fax: 513-552-3329; email: geae.aoc@ge.com. You may view this service information at the FAA, Engine and Propeller Standards Branch, 1200 District Avenue, Burlington, MA. For information on the availability of this material at the FAA, call 781-238-7125. It is also available on the internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2017-0254.

Examining the AD Docket

You may examine the AD docket on the Internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2017-0254; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this final rule, the regulatory evaluation, any comments received, and other information. The address for the Docket Office (phone: 800-647-5527) is Document Management Facility, U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE., Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT: David Bethka, Aerospace Engineer, ECO Branch, FAA, 1200 District Avenue, Burlington, MA 01803; phone: 781-238-7129; fax: 781-238-7199; email: david.bethka@faa.gov.

SUPPLEMENTARY INFORMATION:

Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 by adding an AD that would apply to all GE CF34-8E model turbofan engines. The NPRM published in the *Federal Register* on June 8, 2017 (82 FR

26615). The NPRM was prompted by a report that using a certain repair procedure for the fan OGV frame could alter the strength capability of the fan OGV frame because the repair procedure included an improper heat cycle. The NPRM proposed to require replacement of all fan OGV frames repaired using this procedure. This condition, if not corrected, could result in failure of the fan OGV frame, engine separation, and loss of the airplane.

Comments

We gave the public the opportunity to participate in developing this final rule. The following presents the comments received on the NPRM and the FAA's response to each comment.

Support for the NPRM

The Air Line Pilots Association supports the NPRM.

Request To Change Applicability

Horizon Air requested we include a list of fan OGV frame affected serial numbers (S/Ns) in this AD. J-Air requested that this AD include GE Service Bulletin (SB) CF34-8E-AL S/B 72-0183, Revision 3, dated March 7, 2017, for a list of affected OGV frame S/Ns known to GE. Further, the two commenters explained that operators are not necessarily aware of which repairs have been performed. The changes were requested to take the burden off the operator to determine AD applicability.

We partially agree. We disagree that SB CF34-8E-AL S/B 72-0183 provides a list of all affected OGV frame S/Ns. The list of known affected part S/Ns is based on the best available data, but is not comprehensive. It may be possible that some OGV frames were repaired, but are not known to GE and are not included in GE SB CF34-8E-AL S/B 72-0183. Operators are responsible for checking engine records to determine AD applicability.

We agree to unburden operators to the maximum extent possible. In the interest of aiding operators to determine affected part S/Ns, we included GE SB CF34-8E-AL S/B 72-0183 in the

Related Service Information section in the preamble of this final rule, with a note that GE SB CF34-8E-AL S/B 72-0183 does not include a comprehensive list of all affected parts. GE SB CF34-8E-AL S/B 72-0183 includes a list of OGV frame S/Ns known to GE that have been repaired to GEK 112031 72-00-23, REPAIR 006.

Conclusion

We reviewed the relevant data, considered the comments received, and determined that air safety and the public interest require adopting this final rule with the change described previously. We have determined that these minor changes:

- Are consistent with the intent that was proposed in the NPRM for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM.

We also determined that these changes will not increase the economic burden on any operator or increase the scope of this final rule.

Related Service Information

We reviewed GE CF34-8E Engine Manual, GEK 112031, 72-00-23, REPAIR 006. The repair describes procedures for applying a dry-film lubricant to the fan OGV frame with heat curing.

We also reviewed GE SB CF34-8E-AL S/B 72-0183, Revision 3, dated March 7, 2017. The SB provides instructions to replace the fan OGV frames repaired as specified in GE CF34-8E Engine Manual, GEK 112031, 72-00-23, REPAIR 006. However, the SB does not provide a comprehensive list of affected parts. The SB provides a list of OGV frame S/Ns known to GE that have been repaired to GEK 112031 72-00-23 REPAIR 006.

Costs of Compliance

We estimate that this AD affects 42 engines installed on airplanes of U.S. registry.

We estimate the following costs to comply with this AD:

ESTIMATED COSTS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Fan OGV frame part—annual, prorated cost	0 work-hour × \$85 per hour = \$0.00	\$12,300	\$12,300	\$516,600

According to the manufacturer, some of the costs of this AD may be covered under warranty, thereby reducing the cost impact on affected individuals. We

do not control warranty coverage for affected individuals. As a result, we have included all costs in our 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.

We are 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 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 engines, propellers, and associated appliances to the Manager, Engine and Propeller Standards Branch, Policy and Innovation Division.

Regulatory Findings

This AD will not have federalism implications under Executive Order 13132. This AD will 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 that this AD:

- (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),
- (3) Will not affect intrastate aviation in Alaska, and
- (4) 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.

Adoption of the Amendment

Accordingly, under the authority delegated to me by the Administrator,

the FAA amends 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):

2017–20–09 General Electric Company:
Amendment 39–19066; Docket No. FAA–2017–0254; Product Identifier 2017–NE–10–AD.

(a) Effective Date

This AD is effective November 13, 2017.

(b) Affected ADs

None.

(c) Applicability

This AD applies to all General Electric Company (GE) CF34–8E2; CF34–8E2A1; CF34–8E5; CF34–8E5A1; CF34–8E5A2; CF34–8E6; and CF34–8E6A1 model turbofan engines.

(d) Subject

Joint Aircraft System Component (JASC), 7270, Turbine Engine Bypass Section.

(e) Unsafe Condition

This AD was prompted by a report that using a certain repair procedure for the fan outlet guide vane (OGV) frame could alter the strength capability of the fan OGV frame. We are issuing this AD to prevent failure of the fan OGV frame, engine separation, and loss of the airplane.

(f) Compliance

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

(g) Required Actions

(1) For engines with a fan OGV frame installed that was repaired using GE CF34–8E Engine Manual, GEK 112031, 72–00–23, REPAIR 006:

(i) If the fan OGV frame has 24,900 cycles since new (CSN) or more on the effective date of this AD, remove the OGV frame from service within 100 cycles after the effective date of this AD.

(ii) If the OGV frame has less than 24,900 CSN on the effective date of this AD, remove the fan OGV frame from service at the next shop visit after the effective date of this AD, or before exceeding 25,000 CSN, whichever occurs earlier.

(2) After the effective date of this AD, do not install a fan OGV frame that was repaired using GE CF34–8E Engine Manual, GEK 112031, 72–00–23, REPAIR 006.

(h) Definition

For the purpose of this AD, an "engine shop visit" is the induction of an engine into the shop for maintenance involving the

separation of pairs of major mating engine flanges.

(i) Alternative Methods of Compliance (AMOCs)

(1) The Manager, ECO 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. You may email your request to: ANE-AD-AMOC@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.

(j) Related Information

(1) For more information about this AD, contact David Bethka, Aerospace Engineer, ECO Branch, FAA, 1200 District Avenue, Burlington, MA 01803; phone: 781–238–7129; fax: 781–238–7199; email: david.bethka@faa.gov.

(2) For General Electric service information identified in this AD, contact General Electric Company, GE-Aviation, Room 285, 1 Neumann Way, Cincinnati, OH 45215, phone: 513–552–3272; fax: 513–552–3329; email: geae.aoc@ge.com. You may view this service information at the FAA, Engine and Propeller Standards Branch, 1200 District Avenue, Burlington, MA. For information on the availability of this material at the FAA, call 781–238–7125.

(k) Material Incorporated by Reference

None.

Issued in Burlington, Massachusetts, on September 28, 2017.

Robert J. Ganley,

Manager, Engine and Propeller Standards Branch, Aircraft Certification Service.

[FR Doc. 2017–21345 Filed 10–5–17; 8:45 am]

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DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

Income Taxes

CFR Correction

In Title 26 of the Code of Federal Regulations, Part 26, §§ 1.401 to 1.409, revised as of April 1, 2017, on page 235, in § 1.401(a)(9)–6, at the end of paragraph (d)(3)(i), insert the words "as of the date of purchase".

[FR Doc. 2017–21742 Filed 10–5–17; 8:45 am]

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