

lever. No further action is required by paragraph (h) of this AD for that replaced valve and lever.

(2) If no damage is found, within the compliance time required by paragraph (h) of this AD, do a detailed inspection to detect interference between the landing gear door control rod and the landing gear sequence valve, and do all applicable corrective actions. Do all applicable corrective actions before further flight. No further action is required by paragraph (h) of this AD.

(3) For the purposes of this AD, a detailed inspection is: An intensive examination of a specific item, installation, or assembly to detect damage, failure, or irregularity. Available lighting is normally supplemented with a direct source of good lighting at an intensity deemed appropriate. Inspection aids such as mirror, magnifying lenses, etc., may be necessary. Surface cleaning and elaborate procedures may be required.

#### (i) Parts Installation Limitation

As of the effective date of this AD, no person may install on any airplane a landing gear sequence valve, unless that valve has been inspected and corrected, as applicable, in accordance with the requirements of paragraph (h) of this AD.

#### (j) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs)*: The Manager, International Branch, ANM-116, Transport Airplane Directorate, 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 Branch, send it to ATTN: Dan Rodina, Aerospace Engineer, International Branch, ANM-116, Transport Airplane Directorate, FAA, 1601 Lind Avenue SW., Renton, WA 98057-3356; telephone 425-227-2125; fax 425-227-1149. Information may be emailed to: 9-ANM-116-AMOC-REQUESTS@faa.gov. 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. The AMOC approval letter must specifically reference this AD.

(2) *Contacting the Manufacturer*: 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 Branch, ANM-116, Transport Airplane Directorate, FAA; or the European Aviation Safety Agency (EASA); or Airbus's EASA Design Organization Approval (DOA). If approved by the DOA, the approval must include the DOA-authorized signature.

#### (k) Related Information

Refer to Mandatory Continuing Airworthiness Information (MCAI) EASA Airworthiness Directive 2013-0058, dated March 11, 2013, or related information. This MCAI may be found in the AD docket on the

Internet at <http://www.regulations.gov/#!documentDetail;D=FAA-2014-0448-0002>.

#### (l) Material Incorporated by Reference

(1) The Director of the Federal Register approved the incorporation by reference (IBR) of the service information listed in this paragraph under 5 U.S.C. 552(a) and 1 CFR part 51.

(2) You must use this service information as applicable to do the actions required by this AD, unless this AD specifies otherwise.

(i) Airbus Service Bulletin A300-32-0464, dated July 17, 2012.

(ii) Airbus Service Bulletin A300-32-6110, dated July 17, 2012.

(iii) Airbus Service Bulletin A310-32-2146, dated July 17, 2012.

(3) For service information identified in this AD, contact Airbus SAS, Airworthiness Office—EAW, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France; telephone +33 5 61 93 36 96; fax +33 5 61 93 44 51; email [account.airworth-eas@airbus.com](mailto:account.airworth-eas@airbus.com); Internet <http://www.airbus.com>.

(4) You may view this service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425-227-1221.

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: <http://www.archives.gov/federal-register/cfr/ibr-locations.html>.

Issued in Renton, Washington, on December 5, 2014.

**Michael Kaszycki,**

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 2014-29228 Filed 12-15-14; 8:45 am]

**BILLING CODE 4910-13-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 65

[Docket No.: FAA-2014-1000; Amdt. No. 65-56]

**RIN 2120-AK40**

#### Elimination of the Air Traffic Control Tower Operator Certificate for Controllers Who Hold a Federal Aviation Administration Credential With a Tower Rating

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

**ACTION:** Final rule; request for comments.

**SUMMARY:** This rulemaking eliminates the requirement for an air traffic control tower operator to hold a control tower operator certificate if the individual also holds a Federal Aviation Administration Credential with a tower rating (FAA

Credential). The requirement to hold both the control tower operator certificate and the FAA Credential is redundant since the underlying requirements for the FAA Credential encompass those of the control tower operator certificate. This action will reduce the FAA's burden of administering redundant programs for those individuals who hold an FAA Credential.

**DATES:** This rule is effective February 17, 2015. Send comments on or before February 17, 2015.

**ADDRESSES:** Send comments identified by docket number FAA-2014-1000 using any of the following methods:

- *Federal eRulemaking Portal:* Go to <http://www.regulations.gov> and follow the online instructions for sending your comments electronically.

- *Mail:* Send comments to Docket Operations, M-30; U.S. Department of Transportation (DOT), 1200 New Jersey Avenue SE., Room W12-140, West Building Ground Floor, Washington, DC 20590-0001.

- *Hand Delivery or Courier:* Take comments to Docket Operations in Room W12-140 of the West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

- *Fax:* Fax comments to Docket Operations at 202-493-2251.

*Privacy:* In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to better inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to [www.regulations.gov](http://www.regulations.gov), as described in the system of records notice (DOT/ALL-14 FDMS), which can be reviewed at [www.dot.gov/privacy](http://www.dot.gov/privacy).

*Docket:* Background documents or comments received may be read at <http://www.regulations.gov> at any time. Follow the online instructions for accessing the docket or Docket Operations in Room W12-140 of the West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** For technical questions concerning this action, contact Michele Cappelle, Air Traffic Safety Oversight Service, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591; telephone (202) 267-5205; email [michele.cappelle@faa.gov](mailto:michele.cappelle@faa.gov).

For legal questions concerning this action, contact Neal O'Hara, Attorney, Office of the Chief Counsel, Regulations

Division, AGC-240, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591; telephone (202) 267-3073; email [neal.o'hara@faa.gov](mailto:neal.o'hara@faa.gov).

#### SUPPLEMENTARY INFORMATION:

##### Executive Summary

On January 18, 2011, the President signed Executive Order 13563, Improving Regulation and Regulatory Review. Among other things, Section 6 of that Executive Order directs agencies to conduct a retrospective analysis of existing rules. Specifically, Executive Order 13563 provides that “[t]o facilitate the periodic review of existing significant regulations, agencies shall consider how best to promote retrospective analysis of rules that may be outmoded, ineffective, insufficient, or excessively burdensome, and to modify, streamline, expand, or repeal them in accordance with what has been learned.”

Consistent with Executive Order 13563, the FAA routinely evaluates existing regulations and other requirements. The FAA works to identify unnecessary, duplicative, or ineffective regulations and to mitigate the impacts of those regulations, where possible, without compromising safety.

As part of the FAA’s continuing obligation to review its regulations, the agency has reviewed the requirement in Title 14, Code of Federal Regulations (14 CFR) part 65 that FAA air traffic control tower operators hold a CTO certificate. The FAA has determined that the requirement for FAA air traffic control tower operators to hold the CTO certificate is redundant and unnecessary. These individuals are also required by FAA Order 8000.90, *Air Traffic Safety Oversight Credentialing and Control Tower Operator Certification Programs*, to hold an FAA Credential, and the underlying requirements for the FAA Credential encompass those of the CTO certificate. Therefore, consistent with the requirements of Executive Order 13563, and as discussed later, persons who hold an FAA Credential for the performance of their duties will no longer be required to hold a CTO certificate.

The purpose of both the FAA Credentialing and the CTO programs is to establish that air traffic controllers possess the requisite skills to do their jobs safely. While the FAA Credential is comparable to a CTO certificate, they are two different programs requiring separate administrative activities. After many years of overseeing both programs, the FAA has determined there is no appreciable value in

imposing both programs on the same population. Therefore, the FAA is amending 14 CFR part 65 to permit a person to act as an air traffic control tower operator if that person holds either an FAA Credential or a CTO certificate. FAA tower controllers must hold an FAA Credential. This amendment eliminates the need for an air traffic control tower operator to hold both an FAA Credential and a CTO certificate.

The FAA notes that the CTO program will remain intact for those individuals who are not required to hold an FAA Credential (e.g., controllers at non-Federal contract towers). In addition, FAA air traffic control tower operators who currently possess CTO certificates will be permitted to retain them.

The FAA estimates there will be minimal cost savings to the FAA of about \$189,600 because of this rule change.

##### Good Cause for Immediate Adoption

Section 553(b)(3)(B) of Title 5 of the United States Code (5 U.S.C.), authorizes agencies to dispense with notice and comment procedures for rules when the agency finds “good cause” that those procedures are “impracticable, unnecessary, or contrary to the public interest.” Under this section, an agency, upon finding good cause, may issue a final rule without seeking comment prior to the rulemaking.

The FAA finds that prior notice and public comment on this final rule are unnecessary. This final rule eliminates the requirement for an air traffic control tower operator (CTO) to hold a CTO certificate if the individual also holds an FAA Credential with a tower rating (FAA Credential). The requirement to hold both the CTO certificate and the FAA Credential is redundant, since the underlying requirements for the FAA Credential encompass those of the CTO certificate, and there will not be an adverse safety impact. Therefore, the FAA has determined that prior notice and public comment are unnecessary.

##### Comments Invited

The Regulatory Policies and Procedures of the Department of Transportation (DOT) (44 FR 1134; February 26, 1979), provide that to the maximum extent possible, operating administrations for the DOT should provide an opportunity for public comment on regulations issued without prior notice. The FAA is adopting this final rule without prior notice, but with public comment, because this rule removes a redundant requirement and promotes program efficiencies.

##### Authority for This Rulemaking

The FAA’s authority to issue rules on aviation safety is found in Title 49 of the United States Code. Subtitle I, Section 106 describes the authority of the FAA Administrator, specifically Sections 106(f) and (g). Subtitle VII, Aviation Programs, describes in more detail the scope of the agency’s authority.

This rulemaking is promulgated under the authority described in Subtitle VII, Part A, Subpart iii, Section 44701, General Requirements; Section 44702, Issuance of Certificates; and, Section 44703, Airman Certificates. Under Section 44701, the FAA is charged with prescribing regulations and minimum standards for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. Section 44702 provides the authority for the Administrator to issue certificates, including airman certificates. Section 44703 describes the conditions that must be met for the Administrator to issue an airman certificate. This rule is within the scope of that authority.

##### I. Background

###### A. Statement of the Problem

According to § 65.31, a person must hold a CTO certificate issued under subpart B of part 65 to act as an air traffic control tower operator. When the rule was first promulgated in 1962, all FAA controllers worked in tower facilities. However, as the air traffic control system evolved, other types of facilities, namely En Route and Terminal Radar Approach Control (TRACON) facilities, came into existence. The rule, however, continued to require only air traffic control tower operators to hold a CTO certificate.

The FAA’s Air Traffic Safety Oversight Service (AOV) issues the FAA Credential to FAA air traffic controllers under its authority in FAA Order 1100.161 Change 1, *Air Traffic Safety Oversight Credentialing and Control Tower Operator Certification Programs*, explains how each of these programs are administered.

The FAA Credentialing program is broader than the CTO program. The FAA Credentialing program requires all FAA air traffic controllers, including those working in tower, En Route and TRACON facilities, to hold an FAA Credential with appropriate ratings. FAA control tower operators, therefore, hold a CTO certificate under § 65.31 as well as an FAA Credential. The requirement to hold both the CTO certificate and the FAA Credential is

redundant, since the underlying requirements for the FAA Credential encompass those of the CTO certificate. There will not be an adverse impact to safety as the result of this change to part 65.

The purpose of both the FAA Credentialing and the CTO programs is to establish that air traffic controllers possess the requisite skills to do their jobs safely. While the FAA Credential is comparable to a CTO certificate, they are two different programs requiring separate administrative activities. After many years of overseeing both programs, the FAA has determined there is no appreciable value in imposing both programs on the same population (FAA control tower operators). After the effective date of this rule, the FAA will no longer issue CTO certificates to FAA air traffic control tower operators who are required to hold an FAA Credential for the performance of their duties. As noted previously, FAA air traffic control tower operators who currently possess CTO certificates will be permitted to retain them.

#### *B. CTO Program*

On August 10, 1962, the FAA published a final rule that added Subchapter D “Airmen” to Chapter I of Title 14 of the Code of Federal Regulations (27 FR 7954). The amendment was part of the FAA’s program to recodify its regulatory material into the Federal Aviation Regulations, which replaced the Civil Air Regulations and Regulations of the Administration. This rule first established the requirements for the CTO certificate in part 65. The purpose of the CTO program is to ensure that air traffic controllers possess the requisite qualifications and skills to do their jobs safely.

The FAA established AOV in 2005 to provide independent oversight of air traffic services. As part of its responsibilities, AOV manages the CTO program and establishes policy and guidance for the program. The FAA’s Civil Aviation Registry is the official custodian of airmen and aircraft records. The Registry is the office responsible for the day-to-day administration activities including the review, recordation, and the issuance of CTO certificates and AOV Credentials. The CTO information that is currently in the Civil Aviation Registry database will remain in the database. The Civil Aviation Registry will continue to maintain CTO information and will continue to receive and process CTO applications for individuals who meet the requirements of 14 CFR part 65.

The FAA’s Civil Aviation Registry will continue to receive inquiries concerning FAA air traffic controllers. Any inquiries related to policy and guidance concerning the CTO program and the Credentialing program will be directed to AOV, as appropriate.

#### *C. FAA Credentialing Program*

In addition to managing the CTO program, AOV manages the FAA Credentialing program for air traffic controllers. Like the CTO program, the purpose of the Credentialing program is to establish that air traffic controllers possess the requisite qualifications and skills to do their jobs safely. The Credentialing program encompasses the underlying requirements of the CTO program. Unlike the CTO program, which is only applicable to air traffic control tower operators, the FAA Credentialing program is broader and applies to all air traffic controllers, including those who work in En Route and TRACON facilities.

AOV is the office responsible for tracking and maintaining the system that houses FAA Credential information. This system does not contain any personally identifiable information, such as Social Security numbers, home addresses, or dates of birth.

### **II. Discussion of Adopted Final Rule**

#### *A. Removal of Redundant Program Requirements (§§ 65.11 and 65.31)*

The FAA is revising §§ 65.11 and 65.31 to recognize the FAA Credential and permits a person to act as an air traffic control tower operator if that person holds either an FAA credential or a CTO certificate. FAA tower controllers must hold an FAA credential. Any person who is required to hold an FAA Credential for the performance of his or her duties will no longer be required to also hold a CTO certificate. It also relieves the FAA from subjecting a select group of air traffic controllers to two separate programs.

To conform to the changes in this rule, the FAA is updating its internal procedures for managing the FAA Credentialing and CTO programs (FAA Order 8000.90). The revision to FAA Order 8000.90 will be effective at the same time as this rule.

#### *B. Removal of Outdated Language (§ 65.43)*

The FAA is also removing outdated language regarding junior and senior ratings. On August 1, 1970, the FAA published a final rule that reorganized the requirements in subpart B of part 65 and established a facility rating (35 FR

12326). The FAA intended to remove the junior and senior ratings because they were unnecessary, but inadvertently did not remove the regulatory text. This rule corrects that error, and the FAA is now removing the unnecessary requirement.

### **III. Regulatory Notices and Analyses**

#### *A. Regulatory Evaluation*

Changes to Federal regulations must undergo several economic analyses. First, Executive Order 12866 and Executive Order 13563 direct that each Federal agency shall propose or adopt a regulation only upon a reasoned determination that the benefits of the intended regulation justify its costs. Second, the Regulatory Flexibility Act of 1980 (Pub. L. 96–354) requires agencies to analyze the economic impact of regulatory changes on small entities. Third, the Trade Agreements Act (Pub. L. 96–39) prohibits agencies from setting standards that create unnecessary obstacles to the foreign commerce of the United States. In developing U.S. standards, this Trade Act requires agencies to consider international standards and, where appropriate, that they be the basis of U.S. standards. Fourth, the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4) requires agencies to prepare a written assessment of the costs, benefits, and other effects of proposed or final rules that include a Federal mandate likely to result in the expenditure by State, local, or tribal governments, in the aggregate, or by the private sector, of \$100 million or more annually (adjusted for inflation with base year of 1995). This portion of the preamble summarizes the FAA’s analysis of the economic impacts of this final rule. We suggest readers seeking greater detail read the full regulatory evaluation, a copy of which we have placed in the docket for this rulemaking.

In conducting these analyses, FAA has determined that this final rule: (1) Has benefits that justify its costs, (2) is not an economically “significant regulatory action” as defined in section 3(f) of Executive Order 12866, (3) is not “significant” as defined in DOT’s Regulatory Policies and Procedures; (4) will not have a significant economic impact on a substantial number of small entities; (5) will not create unnecessary obstacles to the foreign commerce of the United States; and (6) will not impose an unfunded mandate on state, local, or tribal governments, or on the private sector by exceeding the threshold identified above. These analyses are summarized below.

Who is potentially affected by this rule?

Persons who hold an FAA Credential for the performance of their duties are potentially affected by this rule. After the effective date of this rule, such persons will no longer be required to hold a CTO certificate.

Assumptions:

- All costs are presented in 2014 dollars.
- The FAA estimates about \$35 to process each CTO certificate.
- The number of CTO certificates issued in 2011 and 2012 totaled 1,070 and 1,048, respectively. The average of both years is 1,059.
- The FAA estimates 2 hours for the Air Traffic Supervisor/Manager to fill out the CTO form.
- The FAA estimates 15 minutes for a Legal Instruments Examiner to enter the CTO form information into the AFS database.
- The hourly rate for an Air Traffic Supervisor/Manager is \$68.11.
- The hourly rate for a Legal Instruments Examiner is \$31.29.

#### Total Benefits and Costs of This Rule

This final rule responds to Executive Order 13563 by reducing the FAA's burden of administering redundant programs, the FAA Credentialing program and the CTO program.

A CTO certificate costs the same amount as an FAA Airmen Certificate to produce. The FAA estimates that this cost range is between \$20 and \$50 per Airmen Certificate. The FAA used the midpoint of that range, \$35, as an estimate of cost to produce a CTO certificate.

Since this rulemaking eliminates the requirement for controllers holding an FAA Credential to also hold a CTO certificate, this amounts to an average cost savings of approximately \$189,600; ranging from \$173,700–\$205,500 for a \$20–\$50 per application processing cost, respectively.

#### B. Regulatory Flexibility Determination

The Regulatory Flexibility Act of 1980 (Pub. L. 96–354) (RFA) establishes “as a principle of regulatory issuance that agencies shall endeavor, consistent with the objectives of the rule and of applicable statutes, to fit regulatory and informational requirements to the scale of the businesses, organizations, and governmental jurisdictions subject to regulation. To achieve this principle, agencies are required to solicit and consider flexible regulatory proposals and to explain the rationale for their actions to assure that such proposals are given serious consideration.” The RFA covers a wide-range of small entities,

including small businesses, not-for-profit organizations, and small governmental jurisdictions.

Agencies must perform a review to determine whether a rule will have a significant economic impact on a substantial number of small entities. If the agency determines that it will, the agency must prepare a regulatory flexibility analysis as described in the RFA.

However, if an agency determines that a rule is not expected to have a significant economic impact on a substantial number of small entities, section 605(b) of the RFA provides that the head of the agency may so certify and a regulatory flexibility analysis is not required. The certification must include a statement providing the factual basis for this determination, and the reasoning should be clear.

The FAA has determined that this final rule will not have a significant economic impact on a substantial number of small entities for the following reason:

This rule reduces redundancy, which lowers FAA costs and has no effect outside of the FAA.

Therefore, as provided in section 605(b), the head of the FAA certifies that this rulemaking will not result in a significant economic impact on a substantial number of small entities. The FAA solicits comments regarding this determination.

#### C. International Trade Impact Assessment

The Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. Pursuant to these Acts, the establishment of standards is not considered an unnecessary obstacle to the foreign commerce of the United States, so long as the standard has a legitimate domestic objective, such as the protection of safety, and does not operate in a manner that excludes imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards. The FAA has assessed the potential effect of this final rule and determined that it will have only a domestic impact and therefore will not create unnecessary obstacles to the foreign commerce of the United States.

#### D. Unfunded Mandates Assessment

Title II of the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4) requires each Federal agency to prepare a written statement assessing the effects of any Federal mandate in a proposed or final agency rule that may result in an expenditure of \$100 million or more (in 1995 dollars) in any one year by State, local, and tribal governments, in the aggregate, or by the private sector; such a mandate is deemed to be a “significant regulatory action.” The FAA currently uses an inflation-adjusted value of \$151 million in lieu of \$100 million. This final rule does not contain such a mandate; therefore, the requirements of Title II of the Act do not apply.

#### E. Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)) requires that the FAA consider the impact of paperwork and other information collection burdens imposed on the public. The FAA has determined that there is no new requirement for information collection associated with this final rule.

#### F. International Compatibility and Cooperation

In keeping with U.S. obligations under the Convention on International Civil Aviation, it is FAA policy to conform to International Civil Aviation Organization (ICAO) Standards and Recommended Practices to the maximum extent practicable. The FAA has reviewed the corresponding ICAO Standards and Recommended Practices and has identified no new differences with these regulations.

#### G. Environmental Analysis

FAA Order 1050.1E, *Environmental Impacts: Policies and Procedures*, identifies FAA actions that are categorically excluded from preparation of an environmental assessment or environmental impact statement under the National Environmental Policy Act in the absence of extraordinary circumstances. The FAA has determined this rulemaking action qualifies for the categorical exclusion identified in paragraph 312f and involves no extraordinary circumstances.

### IV. Executive Order Determinations

#### A. Executive Order 13132, Federalism

The FAA has analyzed this final rule under the principles and criteria of Executive Order 13132, Federalism. The agency determined that this action will not have a substantial direct effect on the States, or the relationship between

the Federal Government and the States, or on the distribution of power and responsibilities among the various levels of government, and, therefore, does not have Federalism implications.

*B. Executive Order 13211, Regulations That Significantly Affect Energy Supply, Distribution, or Use*

The FAA analyzed this final rule under Executive Order 13211, Actions Concerning Regulations that Significantly Affect Energy Supply, Distribution, or Use (May 18, 2001). The agency has determined that it is not a "significant energy action" under the executive order and it is not likely to have a significant adverse effect on the supply, distribution, or use of energy.

*C. Executive Order 13609*

Executive Order 13609, Promoting International Regulatory Cooperation, promotes international regulatory cooperation to meet shared challenges involving health, safety, labor, security, environmental, and other issues and to reduce, eliminate, or prevent unnecessary differences in regulatory requirements. The FAA has analyzed this action under the policies and agency responsibilities of Executive Order 13609, and has determined that this action would have no effect on international regulatory cooperation.

**V. How To Obtain Additional Information**

*A. Comments Invited*

The FAA invites interested persons to participate in this rulemaking by submitting written comments, data, or views. The agency also invites comments relating to the economic, environmental, energy, or federalism impacts that might result from adopting this rule. The most helpful comments reference a specific portion of the rule, explain the reason for any recommended change, and include supporting data. To ensure the docket does not contain duplicate comments, commenters should send only one copy of written comments, or if comments are filed electronically, commenters should submit only one time.

The FAA will file in the docket all comments it receives, as well as a report summarizing each substantive public contact with FAA personnel concerning this rulemaking. The FAA will consider all comments it receives on or before the closing date for comments. The agency may change this rule in light of the comments it receives.

Commenters are encouraged to identify the provisions on which they are commenting based on the title of the provisions.

*Proprietary or Confidential Business Information:* Commenters should not file proprietary or confidential business information in the docket. Such information must be sent or delivered directly to the person identified in the **FOR FURTHER INFORMATION CONTACT** section of this document, and marked as proprietary or confidential. If submitting information on a disk or CD-ROM, mark the outside of the disk or CD-ROM, and identify electronically within the disk or CD-ROM the specific information that is proprietary or confidential.

Under 14 CFR 11.35(b), if the FAA is aware of proprietary information filed with a comment, the agency does not place it in the docket. It is held in a separate file to which the public does not have access, and the FAA places a note in the docket that it has received it. If the FAA receives a request to examine or copy this information, it treats it as any other request under the Freedom of Information Act (5 U.S.C. 552). The FAA processes such a request under Department of Transportation procedures found in 49 CFR part 7.

*B. Rulemaking Documents*

An electronic copy of a rulemaking document may be obtained by using the Internet—

1. Search the Federal eRulemaking Portal (<http://www.regulations.gov>);
2. Visit the FAA's Regulations and Policies Web page at [http://www.faa.gov/regulations\\_policies/](http://www.faa.gov/regulations_policies/) or
3. Access the Government Printing Office's Web page at: <http://www.gpo.gov/fdsys/>.

Copies may also be obtained by sending a request (identified by notice, amendment, or docket number of this rulemaking) to the Federal Aviation Administration, Office of Rulemaking, ARM-1, 800 Independence Avenue SW., Washington, DC 20591, or by calling (202) 267-9680.

*C. Comments Submitted to the Docket*

Comments received may be viewed by going to <http://www.regulations.gov> and following the online instructions to search the docket number for this action. Anyone is able to search the electronic form of all comments received into any of the FAA's dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.).

*D. Small Business Regulatory Enforcement Fairness Act*

The Small Business Regulatory Enforcement Fairness Act (SBREFA) of 1996 requires FAA to comply with small entity requests for information or

advice about compliance with statutes and regulations within its jurisdiction. A small entity with questions regarding this document, may contact its local FAA official, or the person listed under the **FOR FURTHER INFORMATION CONTACT** heading at the beginning of the preamble. To find out more about SBREFA on the Internet, visit [http://www.faa.gov/regulations\\_policies/rulemaking/sbre\\_act/](http://www.faa.gov/regulations_policies/rulemaking/sbre_act/).

**List of Subjects in 14 CFR Part 65**

Air traffic controllers, Airmen, Aviation safety.

**The Amendment**

In consideration of the foregoing, the Federal Aviation Administration amends chapter I of title 14, Code of Federal Regulations as follows:

**PART 65—OPERATING REQUIREMENTS: DOMESTIC, FLAG, AND SUPPLEMENTAL OPERATIONS**

- 1. The authority citation for part 65 is revised to read as follows:

**Authority:** 49 U.S.C. 106(f), 106(g), 40113, 44701–44703, 44707, 44709–44711, 45102–45103, 45301–45302.

- 2. Amend § 65.11 by revising paragraph (b) to read as follows:

**§ 65.11 Application and issue.**

\* \* \* \* \*

(b) Except for FAA Credential holders with tower ratings, an applicant who meets the requirements of this part is entitled to an appropriate certificate and rating.

\* \* \* \* \*

- 3. Amend § 65.31 by revising the section heading, introductory text, and paragraphs (a) and (b) to read as follows:

**§ 65.31 Required credentials, certificates, and ratings or qualifications.**

No person may act as an air traffic control tower operator at an air traffic control tower in connection with civil aircraft unless he or she—

(a) Holds an FAA Credential with a tower rating or an air traffic control tower operator certificate issued under this subpart;

(b) Holds a facility rating for that control tower issued under this subpart, or has qualified for the operating position at which he or she acts and is under the supervision of the holder of a facility rating for that control tower; and

\* \* \* \* \*

**§ 65.43 [Removed and Reserved]**

- 4. Remove and reserve § 65.43.

Issued under authority provided by 49 U.S.C. 106(f), 44701(a), and 44703 in Washington, DC, on November 14, 2014.

**Michael P. Huerta,**  
Administrator.

[FR Doc. 2014-29386 Filed 12-15-14; 8:45 am]

BILLING CODE 4910-13-P

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

### 24 CFR Parts 5 and 232

[Docket No. FR-5794-F-03]

RIN 2502-AJ25

#### Federal Housing Administration (FHA): Section 232 Healthcare Facility Insurance Program—Aligning Operator Financial Reports With HUD's Uniform Financial Reporting Standards

**AGENCY:** Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

**ACTION:** Final rule.

**SUMMARY:** On September 16, 2014, HUD published an interim rule that revised the financial reporting deadlines for operators participating in FHA's program for insurance of health care facilities under section 232 of the National Housing Act (Section 232 program) to bring them in-line with the reporting periods prescribed in HUD's Uniform Financial Reporting Standards, to which owners and borrowers participating in the Section 232 program are subject. HUD received no public comments in response to its solicitation of comment in the September 16, 2014, rule, and is therefore adopting the interim rule without change.

**DATES:** *Effective date:* January 15, 2015.

**FOR FURTHER INFORMATION CONTACT:** Vance T. Morris, Office of Residential Care Facilities, Office of Healthcare Programs, Office of Housing, Department of Housing and Urban Development, 451 7th Street SW., Room 6264, Washington, DC 20410-8000; telephone number 202-708-0599 (this is not a toll-free number). Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Relay Service at 1-800-877-8339.

#### SUPPLEMENTARY INFORMATION:

##### A. Background

Section 232 of the National Housing Act (12 U.S.C. 1715w) (Section 232) authorizes FHA to insure mortgages made by private lenders to finance the development of nursing homes, intermediate care facilities, board and care homes, and assisted living facilities

(collectively, residential healthcare facilities). The Section 232 program allows for long-term, fixed-rate financing for new and rehabilitated properties for up to 40 years. Existing properties without rehabilitation can be financed with or without Ginnie Mae<sup>1</sup> Mortgage Backed Securities for up to 35 years. Eligible borrowers under the Section 232 program include investors, builders, developers, public entities, and private nonprofit corporations and associations. The documents executed at loan closing provide that the borrower may not engage in any other business or activity. The Section 232 program regulations are codified in 24 CFR part 232.

In 2012, HUD commenced the rulemaking to update the Section 232 program regulations, regulations that had not been revised since 1996. By final rule published on September 7, 2012, at 77 FR 55120, HUD revised the Section 232 program regulations to reflect current policy and practices, and improve accountability and strengthen risk management in the Section 232 program. The September 7, 2012, final rule was preceded by a proposed rule published on May 3, 2012, at 77 FR 26304.

Included in the updates made by the 2012 rulemaking were revisions to 24 CFR 5.801 (Uniform Financial Reporting Standards) and 24 CFR 232.1009 (Financial Reports), both of which contained reporting requirements applicable to the Section 232 program. HUD revised these regulatory sections to include operators of projects insured or held by HUD as entities that must submit financial statements to HUD. Owners and borrowers have long been required to submit financial reports.

Sections 5.801(c)(4) and 232.1009 provide that operators must submit financial statements to HUD quarterly within 30 calendar days of the date of the end of each fiscal quarter, and 60 calendar days from the end of the fiscal-year-end quarter to submit final fiscal year end quarter and fiscal year-to-date reports to HUD. The other entities required to submit reports were provided slightly longer periods to prepare and submit the reports than that provided to operators. In the September 7, 2012, final rule, commenters asked that HUD extend the 30-day filing deadline for end-of-each quarterly report to 60 days. HUD declined to provide the extension and stated that receipt of unaudited quarterly and year-to-date operator financial statements

promptly at the end of each quarter is needed for effective monitoring of a property's financial operations and the trend of those operations.

HUD's September 16, 2014, interim rule, published at 79 FR 55360, revised the Section 232 program regulation to increase the amount of time operators have to comply with the reporting requirements provided in §§ 5.801(c)(4) and 232.1009. In the interim rule, HUD advised that with almost two years of administering the Section 232 program under the revised regulations, HUD determined that it can provide operators additional time to submit financial reports and maintain the effective monitoring of a property's financial operations and the trend of those operations, which was of concern to HUD in the September 7, 2012, rule.

The September 16, 2014, interim rule provided operators with 60 calendar days following the end of a fiscal quarter and 90 calendar days following the end of the fiscal-year-end quarter to comply with HUD's financial statement reporting requirements. HUD solicited comment on the changes made to Section 232 program regulations by the September 16, 2014, interim rule, but received no public comments in response to this solicitation.

On October 3, 2014, HUD published a notice in the **Federal Register**, at 79 FR 59646, announcing the commencement of compliance with the Uniform Financial Reporting Standards. Section 5.801(d)(4) of HUD's Uniform Financial Reporting Standards regulations provides that operators of projects with Section 232 insured mortgages (the entities described in § 5.801(a)(6)) must comply with the requirements of § 5.801 with respect to fiscal years commencing on or after the date that is 60 calendar days after the date on which HUD announces, through **Federal Register** notice, that it has issued guidance on the manner in which these reports will be transmitted to HUD. The October 3, 2014, notice served as the notice required by § 5.801(d)(4) that HUD has issued guidance on the manner in which the operator financial reports will be transmitted to HUD.<sup>2</sup> Accordingly, operators must comply with the operator financial report requirements for fiscal years commencing on or after December 2, 2014.

<sup>1</sup> Ginnie Mae is a registered service mark of the Government National Mortgage Association; see <http://www.ginniemae.gov/>.

<sup>2</sup> That guidance can be found under the Guidance for Lenders' Operator Financial Statement section at [http://portal.hud.gov/hudportal/HUD?src=/federal\\_housing\\_administration/healthcare\\_facilities/residential\\_care](http://portal.hud.gov/hudportal/HUD?src=/federal_housing_administration/healthcare_facilities/residential_care).