recipient is other than the actual manufacturer or processor. This requirement is commonly referred to as the Nonmanufacturer Rule. The SBA regulations imposing this requirement are found at 13 CFR 121.906(b) and 121.1106(b). Section 303(h) of the law provides for waiver of this requirement by SBA for any ''class of products'' for which there are no small business manufacturers or processors in the Federal market. To be considered available to participate in the Federal market on these classes of products, a small business manufacturer must have submitted a proposal for a contract solicitation or received a contract from the Federal government within the last 24 months. The SBA defines ''class of products'' based on two coding systems. The first is the Office of Management and Budget North American Industry Classification System. The second is the Product and Service Code established by the Federal Procurement Data System.

Linda G. Williams,

Associate Administrator for Government Contracting.

[FR Doc. 02–25263 Filed 10–4–02; 8:45 am]

BILLING CODE 8025–01–P

SMALL BUSINESS ADMINISTRATION

13 CFR Parts 121 and 123

RIN 3245–AE44

Pre-Disaster Mitigation Loans

AGENCY: Small Business Administration (SBA).

ACTION: Final rule.

SUMMARY: The U.S. Small Business Administration (SBA) is amending its regulations to implement the Pre-Disaster Mitigation Loan Program (Program), which is a five-year pilot program authorized by statute in 1999. The statute allows SBA to make low interest, fixed rate loans to small businesses for the purpose of implementing mitigation measures to protect their property from disaster related damage. The Program was developed in support of the Federal Emergency Management Agency (FEMA) Pre-Disaster Mitigation Program and covers businesses located in eligible participating communities, as determined by FEMA. This rule also describes how much a person could borrow from SBA to provide post-disaster mitigation for a damaged primary residence.

DATES: This rule is effective November 6, 2002.

FOR FURTHER INFORMATION CONTACT: Herbert L. Mitchell, Associate Administrator, Office of Disaster Assistance, 202–205–6734.

SUPPLEMENTARY INFORMATION: The Program is a pilot authorized by statute at a level of $15 million for each of five (5) fiscal years from 2000 through 2004. The Program enables SBA to make low interest, fixed rate loans to small businesses for the purpose of implementing mitigation measures that will protect them from disaster related damage. The Program was developed in support of FEMA's Pre-Disaster Mitigation Program, which covers businesses located in eligible communities as determined by FEMA. This program encourages prevention rather than relying solely on a response and recovery approach to emergency management. The purpose of the Program is to implement techniques and technologies that will mitigate the effects of natural disasters. Implementation will enable SBA to lend to small businesses in disaster prone areas to help them avert and lessen the costs of future disaster inflicted damages. This is the first time, since SBA has administered the disaster loan program beginning in 1953, that SBA is empowered to administer a pre-disaster mitigation loan program.

SBA's current Program rules were effective October 1, 1999. 64 FR 48275 (September 3, 1999). However, SBA has not made any loans under these rules for several reasons. First, SBA is required by statute to ''use mitigation techniques in support of a formal mitigation program established by the [FEMA] * * *'' 15 U.S.C. 636(b)(1)(C). In 1999, FEMA had not yet completely established its pre-disaster mitigation program, then known as ''Project Impact.'' Communities had to apply to FEMA to be accepted as a pre-disaster mitigation eligible community. This took time. Next, FEMA's pre-disaster mitigation program was placed on hold, pending appropriations in the FY02 Departments of Veterans Affairs, Housing and Urban Development and Independent Agencies Appropriations Act. On November 26, 2001, the appropriations act provided $25 million to FEMA for its pre-disaster mitigation grant program. FEMA is now re-evaluating, revisiting and revamping its pre-disaster program. Therefore, SBA decided to proceed with this final rule to provide clear guidance and complete instructions to the public to support the FEMA program.

On June 14, 2000, SBA published a proposed rule on the Program in the **Federal Register** requesting public comment (65 FR 37307). This final rule clarifies the application and loan approval processes and makes editorial changes to make the regulation more understandable. The final rule explains the Program, defines ''mitigation measure,'' provides the purpose of pre-disaster mitigation loans, and explains how to apply for the loans, the maximum amount and interest rate of the loans, how SBA makes Program funding decisions, and what happens if Program funds run out or an application is denied. The final rule also contains a new application package for the Program approved by the Office of Management and Budget.

SBA received only one comment, from FEMA, which suggests several minor changes.

First, FEMA suggests that SBA refer to the Program as a ''community based initiative'' instead of referencing it as Project Impact. We agree with FEMA's recommendation and have deleted any reference to Project Impact in the final rule.

Second, FEMA recommends that SBA clarify that an applicant for a pre-disaster mitigation loan needs to submit a ''written statement'' from a local or State coordinator and that the written statement must include the information contained in the regulation. We agree with FEMA's recommendation and use the phrase ''written statement'' consistently in this final rule along with an appropriate cross-reference to the requirements in § 123.408.

Third, FEMA requests that SBA add a clarifying sentence which states that ''the State or local coordinator's written statement does not constitute an endorsement or technical approval of the project and is not a guarantee that the project will prevent damage in future disasters.'' SBA agrees with this comment and adds the requested language to § 123.408.

SBA has not adopted one of FEMA's comments. FEMA requested that SBA delete the references to participating pre-disaster mitigation community locations in § 123.403(a) because these communities may grow and change over time. SBA decided to retain the references to participating pre-disaster mitigation communities in § 123.403(a) because these are general references and we encourage the public to contact FEMA for more detailed information. SBA anticipates that at a minimum, the general information will serve to inform applicants in unique communities (*e.g.*, the District of Columbia and Puerto Rico) that they may be eligible to participate in the Program.

In addition to the changes made in response to FEMA's comments, SBA makes a few changes in this final rule for the purpose of clarification.

In § 123.21 (''What is a mitigation measure?'') SBA clarifies that mitigation measures can occur before a disaster (pre-disaster) or after a disaster (post-disaster). In addition, we include appropriate cross-references for further information on either pre-or post-disaster mitigation efforts for homes or businesses.

SBA also revised the final rule in an effort to accurately define borrowing limits for each mitigation category: pre-disaster mitigation loans for businesses; post-disaster mitigation loans for businesses; and post-disaster mitigation loans for homes. SBA did not alter the substance of text dealing with the borrowing limits, but simply changed the location of the information within the rule so that each borrowing limit is addressed under the appropriate mitigation category. To accomplish this, we deleted the proposed § 123.22 (''How much can your business borrow for mitigation?'') and we have relocated this information to § 123.204 (''How much can your business borrow for post-disaster mitigation?'') and § 123.405 (''How much can your business borrow with a pre-disaster mitigation loan?''). When relocating this information, SBA deleted the inappropriate text references to primary residences or personal property. These references should not have been included in the borrowing limit section for business mitigation loans. These references to primary residences or personal property should have been included in the section addressing the borrowing limit for mitigation loans for homes. As such, we have added a new § 123.107 (''How much can I borrow for post-disaster mitigation for my home?'').

Another change is included in §§ 123.400 (''What is the Pre-Disaster Mitigation Loan Program?'') and 123.401(a) (''What types of mitigation measures can your business include in its application for a pre-disaster mitigation loan?''). In these sections we inadvertently left out the word ''contents'' from the text. The Pre-Disaster Mitigation Loan Program is designed, in part, to support mitigation measures geared towards protecting commercial real property, leasehold improvements, and the contents of either. As such, SBA adds the word ''contents'' to the relevant §§ 123.400 and 123.401(a).

Proposed § 123.410 (''When will SBA make funding decisions?'') would have required SBA to wait to make funding decisions until 60 days after the opening of a 30-day application window. This would have allowed SBA to receive and process all applications before deciding which applications to fund. SBA has concluded, however, that there is no reason to delay funding decisions since each application is evaluated on its own merits and not in comparison to the other applications received during that application window. Accordingly, SBA has deleted proposed § 123.410. SBA has redesignated proposed §§ 123.411—123.413 as §§ 123.410—123.412, respectively.

SBA also has concluded that it should date stamp each application when it is received, rather than after it is screened for completeness. Since SBA will be using multiple screeners to review the applications, an applicant's ranking should not be dependent upon the efficiency or schedule of a particular screener. Date stamping upon receipt will eliminate this possibility. In addition, SBA has decided against time-stamping applications. Instead, applications that are received on the same date will be assigned a ranking through the use of a computerized random number generator. SBA believes this is a more equitable way to assign priorities to applications received essentially at the same time. New § 123.410 is revised to reflect these changes.

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

This rule is a ''significant'' regulatory action within the meaning of Executive Order 12866 and was reviewed by the Office of Management and Budget. As a new pilot program authorized at $15 million for 5 years, OMB determined that the Program raised potential budgetary, legal and policy issues and required coordination with another Federal agency (FEMA). In 1999 Congressional Budget Office (CBO) estimated that the SBA would require an annual appropriation of $3 million to cover the subsidy costs of the proposed program at a 22 percent subsidy rate. Outlays would be about $2 million in 2000 and $3 million in each year during the 2001–2004 period, assuming appropriations of the necessary amounts. CBO estimates that administrative costs, both for managing the Program and preparing a report to Congress required by the bill, would be well below $500,000 in any year.

When an agency issues a rulemaking proposal, the Regulatory Flexibility Act (RFA) requires the agency to prepare a final regulatory flexibility analysis describing the need for and objectives of the rule; a summary of the issues raised by the public comments in response to the initial regulatory flexibility analysis; and a description of the significant alternatives to the rule consistent with the stated objectives of applicable statutes and designed to minimize any significant economic impact of the rule on small entities. 5 U.S.C. 604(a). Section 605 of the RFA allows an agency to certify a rule, in lieu of preparing an analysis, if the rulemaking is not expected to have a significant economic impact on a substantial number of small entities.

In the proposed rule, SBA certified that the proposed rule would 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. 601–612. The basis of the certification was that since Congress has limited the funding level for this pilot program, the program can only serve a limited number of small businesses. With a maximum loan amount of $50,000, the number of small businesses affected under the program would be 300. Even if the loan amounts did not reach the maximum level, and amounted to only $25,000 per loan, the number of small businesses affected would only be 600. SBA did not consider the number to be substantial, in view of the fact that there could be as many as some 13–16 million small businesses across the country. No comments were received on the certification.

SBA has also determined that the final rule will not have a significant economic impact on a substantial number of small businesses. While the amount of the loan may have a significant impact on the businesses that receive them, the loans will not be going to a substantial number of small businesses. As stated in the proposal, at the maximum level, the loans will only affect 600 small businesses. Also as stated in the proposal, there are 13 to 16 million small businesses across the country, and 600 is not a substantial number. Accordingly, the Administrator of the SBA hereby certifies to the Chief Counsel of Advocacy of the SBA that this rule will not have a significant economic impact on a substantial number of small businesses.

For the purposes of the Paperwork Reduction Act, 44 U.S.C. chapter 35, SBA has submitted the Pre-Disaster Mitigation Small Business Loan Application (application) to the Office of Management and Budget (OMB) for review and OMB has given its clearance. SBA did not receive any comments from the public regarding this proposed collection of information and only non-substantive, clarifying changes have been made to the proposed application package. The application will allow small businesses to apply for pre-disaster mitigation loans and will provide SBA with the information necessary to evaluate applicants. The application requests such information as name, address, location and type of mitigation project, type of business, management information, organization type, and financial information to permit SBA to determine repayment ability. The applicant will have to complete an application each time it applies for a pre-disaster mitigation loan. SBA estimates that the time necessary to complete an application for the Program will average 2 hours.

For purposes of Executive Order 13132, SBA has determined that this final rule has no federalism implications.

For purposes of Executive Order 12988, SBA has determined that this final rule is drafted, to the extent practicable, to be in accordance with the standards set forth in section 3 of that Order.

List of Subjects

13 CFR Part 121

Administrative practice and procedure, Government procurement, Government property, Grant programs—business, Individuals with disabilities, Loan programs—business, Reporting and recordkeeping requirements, Small business.

13 CFR Part 123

Disaster assistance, Loan programs—business, Reporting and recordkeeping requirements, Small businesses.

For the reasons stated in the preamble, SBA amends 13 CFR parts 121 and 123 as follows:

PART 121—SMALL BUSINESS SIZE REGULATIONS

1. The authority citation for part 121 is revised to read as follows:

Authority: 15 U.S.C. 632(a), 634(b)(6), 636(b), 637(a), and 644(c), and 662(5); and sec. 304, Pub. L. 103–403, 108 Stat. 4175, 4188, Pub. L. 106–24, 113 Stat. 39.

2. In § 121.302, add two sentences at the end of paragraph (c) to read as follows:

§ 121.302 When does SBA determine the size status of an applicant?

* * * * *

(c) * * * For pre-disaster mitigation loans, size status is determined as of the date SBA accepts a complete Pre-Disaster Mitigation Small Business Loan Application for processing. Refer to § 123.408 of this chapter to find out what SBA considers to be a complete Pre-Disaster Mitigation Small Business Loan Application.

* * * * *

PART 123—DISASTER LOAN PROGRAM

1. The authority citation for part 123 is revised to read as follows:

Authority: 15 U.S.C. 634(b)(6), 636(b), 636(c); Pub. L. 102–395, 106 Stat. 1828, 1864; and Pub. L. 103–75, 107 Stat. 739; and Pub. L. 106–50, 113 Stat. 245.

2. Redesignate § 123.107 as a new § 123.21 and revise the section to read as follows:

§ 123.21 What is a mitigation measure?

A mitigation measure is something done for the purpose of protecting real and personal property against disaster related damage. You may implement mitigation measures after a disaster occurs (post-disaster) to protect against recurring disaster related damage, or before a disaster occurs (pre-disaster) to protect against future disaster related damage. Examples of mitigation measures include building retaining walls, sea walls, grading and contouring land, elevating flood prone structures, relocating utilities, or retrofitting structures to protect against high winds, earthquakes, flood, wildfires, or other physical disasters. Section 123.107 specifically addresses post-disaster mitigation for home disaster loans, and § 123.204 specifically addresses post-disaster mitigation for businesses. Sections 123.400 through 123.412 specifically address pre-disaster mitigation.

3. Add a new § 123.107 to read as follows:

§ 123.107 How much can I borrow for post-disaster mitigation for my home?

For mitigation measures implemented after a disaster has occurred, you can borrow the lesser of the cost of the mitigation measure, or up to 20 percent of the amount of your approved home disaster loan to repair or replace your damaged primary residence and personal property.

4. Add a new § 123.204 to read as follows:

§ 123.204 How much can your business borrow for post-disaster mitigation?

For mitigation measures implemented after a disaster has occurred, you can borrow the lesser of the cost of the mitigation measure, or up to 20 percent of the amount of your approved physical disaster business loan to repair or replace your damaged business real estate and other business assets.

5. Revise subpart E to read as follows:

Subpart E—Pre-Disaster Mitigation Loans

Sec.

Subpart E—Pre-Disaster Mitigation Loans

§ 123.400 What is the Pre-Disaster Mitigation Loan Program?

The Pre-Disaster Mitigation Loan Program allows SBA to make low interest, fixed rate loans to small businesses for the purpose of implementing mitigation measures to protect their commercial real property (building) or leasehold improvements or contents from disaster related damage. This program supports the Federal Emergency Management Agency (FEMA's) Pre-Disaster Mitigation Program. This pilot program is authorized for 5 fiscal years (October—September), from 2000 through 2004, and has only been approved for limited funding. Therefore, approved loan requests are funded on a first come, first served basis up to the limit of program funds available (see § 123.411).

§ 123.401 What types of mitigation measures can your business include in an application for a pre-disaster mitigation loan?

To be included in a pre-disaster mitigation loan application, each of your business' mitigation measures must satisfy the following criteria:

(a) The mitigation measure, as described in the application, must serve the purpose of protecting your commercial real property (building) or leasehold improvements or contents from damage that may be caused by future disasters; and

(b) The mitigation measure must conform to the priorities and goals of the State or local government's mitigation plan for the community in which the business subject to the measure is located. To show that this factor is satisfied your business must submit to SBA, as a part of your complete application, a written statement from a State or local emergency management coordinator confirming this fact (see § 123.408). Contact your regional FEMA office for a list of your State's emergency management coordinators or visit the FEMA Web site at *http://www.fema.gov.*

§ 123.402 Can your business include its relocation as a mitigation measure in an application for a pre-disaster mitigation loan?

Yes, you may request a pre-disaster mitigation loan for the relocation of your business if:

(a) Your commercial real property (building) is located in a SFHA (Special Flood Hazard Area); and

(b) Your business relocates outside the SFHA but remains in the same participating pre-disaster mitigation community. Contact your regional FEMA office for a listing of communities participating in the Pre-Disaster Mitigation Program and SFHAs or visit the FEMA Web site at *http://www.fema.gov.*

§ 123.403 When is your business eligible to apply for a pre-disaster mitigation loan?

To be eligible to apply for a pre-disaster mitigation loan your business must meet each of the following criteria:

(a) Your business, which is the subject of the pre-disaster mitigation measure, must be located in a participating pre-disaster mitigation community. Each State, the District of Columbia, Puerto Rico, and the Virgin Islands have at least one participating pre-disaster mitigation community. Contact your regional FEMA office to find out the locations of participating pre-disaster mitigation communities or visit the FEMA Web site at *http://www.fema.gov.*;

(b) If your business is proposing a mitigation measure that protects against a flood hazard, the location of your business which is the subject of the mitigation measure must be located in a Special Flood Hazard Area (SFHA). Contact your FEMA regional office to find out the locations of SFHAs or visit the FEMA Web site at *http://www.fema.gov.*;

(c) As of the date your business submits a complete Pre-Disaster Mitigation Small Business Loan Application to SBA (see § 123.408 for what SBA's considers to be a complete application), your business, along with its affiliates, must be a small business concern as defined in part 121 of this chapter. The definition of small business concern encompasses sole proprietorships, partnerships, corporations, limited liability entities, and other legal entities recognized under State law;

(d) Your business, which is the subject of the mitigation measure, must have operated as a business in its present location for at least one year before submitting its application;

(e) Your business, along with its affiliates and owners, must not have the financial resources to fund the proposed mitigation measures without undue hardship. SBA makes this determination based on the information your business submits as a part of its application; and

(f) If your business is owning and leasing out real property, the mitigation measures must be for protection of a building leased primarily for commercial rather than residential purposes (SBA will determine this based upon a comparative square footage basis).

§ 123.404 When is your business ineligible to apply for a pre-disaster mitigation loan?

Your business is ineligible to apply for a pre-disaster mitigation loan if your business (including its affiliates) satisfies any of the following conditions:

(a) Any of your business' principal owners is presently incarcerated, or on probation or parole following conviction of a serious criminal offense, or has been indicted for a felony or a crime of moral turpitude;

(b) Your business' only interest in the business property is in the form of a security interest, mortgage, or deed of trust;

(c) The building, which is the subject of the mitigation measure, was newly constructed or substantially improved on or after February 9, 1989, and (without significant business justification) is located seaward of mean high tide or entirely in or over water;

(d) Your business is an agricultural enterprise. Agricultural enterprise means a business primarily engaged (see § 121.107 of this chapter) in the production of food and fiber, ranching and raising of livestock, aquaculture and all other farming and agriculture-related industries. Sometimes a business is engaged in both agricultural and non-agricultural business activities. If the primary business activity of your business is not an agricultural enterprise, it may apply for a pre-disaster mitigation loan, but loan proceeds may not be used, directly or indirectly, for the benefit of the agricultural activities;

(e) Your business is engaged in any illegal activity;

(f) Your business is a government owned entity (except for a business owned or controlled by a Native American tribe);

(g) Your business presents live performances of a prurient sexual nature or derives directly or indirectly more than *de minimis* gross revenue through the sale of products or services, or the presentation of any depictions or displays, of a prurient sexual nature;

(h) Your business engages in lending, multi-level sales distribution, speculation, or investment (except for real estate investment with property held for commercial rental);

(i) Your business is a non-profit or charitable concern;

(j) Your business is a consumer or marketing cooperative;

(k) Your business derives more than one-third of its gross annual revenue from legal gambling activities;

(l) Your business is a loan packager that earns more than one-third of its gross annual revenue from packaging SBA loans;

(m) Your business principally engages in teaching, instructing, counseling, or indoctrinating religion or religious beliefs, whether in a religious or secular setting; or

(n) Your business is primarily engaged in political or lobbying activities.

§ 123.405 How much can your business borrow with a pre-disaster mitigation loan?

Your business, together with its affiliates, may borrow up to $50,000 each fiscal year. This loan amount may be used to fund only those projects that were a part of your business' approved loan request. SBA will consider mitigation measures costing more than $50,000 per year if your business can identify, as a part of its Pre-Disaster Mitigation Small Business Loan Application, sources that will fund the cost above $50,000.

§ 123.406 What is the interest rate on a pre-disaster mitigation loan?

The interest rate on a pre-disaster mitigation loan will be fixed at 4 percent per annum or less. The exact interest rate will be stated in the **Federal Register** notice announcing each filing period (see § 123.407).

§ 123.407 When does your business apply for a pre-disaster mitigation loan and where does your business get an application?

SBA will publish a notice in the **Federal Register** announcing the availability of pre-disaster mitigation loans. The notice will designate a 30-day application filing period with a specific opening date and filing deadline, as well as the locations for obtaining and filing loan applications. In addition to the **Federal Register**, SBA will coordinate with FEMA, and will issue press releases to the local media to inform potential loan applicants where to obtain loan applications. SBA will not accept any applications postmarked after the filing deadline; however, SBA may announce additional application periods each year depending on the availability of program funds.

§ 123.408 How does your business apply for a pre-disaster mitigation loan?

To apply for a pre-disaster mitigation loan your business must submit a complete Pre-Disaster Mitigation Small Business Loan Application (application) within the announced filing period. Complete applications mailed to SBA and postmarked within the announced filing period will be accepted. The complete application serves as your business' loan request. A complete application supplies all of the filing requirements specified on the application form including a written statement from the local or State coordinator confirming:

(a) The business that is the subject of the mitigation measure is located within the participating pre-disaster mitigation community; and

(b) The mitigation measure is in accordance with the specific priorities and goals of the local participating pre-disaster mitigation community in which the business is located. (The local or State coordinator's written statement does not constitute an endorsement or technical approval of the project and is not a guarantee that the project will prevent damage in future disasters).

§ 123.409 Which pre-disaster mitigation loan requests will SBA consider for funding?

(a) SBA will consider a loan request for funding if, after reviewing a complete application, SBA determines that it meets the following selection criteria:

(1) Your business satisfies the requirements of §§ 123.401, 123.402 and 123.403;

(2) None of the conditions specified in § 123.404 apply to your business, its affiliates, or principal owners;

(3) Your business has submitted a reasonable cost estimate for the proposed mitigation measure and has chosen to undertake a mitigation measure that is likely to accomplish the desired mitigation result (SBA's determination of this point is not a guaranty that the project will prevent damage in future disasters);

(4) Your business is creditworthy; and

(5) There is a reasonable assurance of loan repayment in accordance with the terms of a loan agreement.

(b) SBA will notify you in writing if your loan request does not meet the criteria in this section.

§ 123.410 Which loan requests will SBA fund?

SBA will date stamp each application (loan request) as it is received. SBA will fund loan requests which meet the selection criteria specified in § 123.409 on a first come, first served basis using this date stamp, until it has allocated all available program funds. Multiple applications received on the same day will be ranked by a computer based random selection system to determine their funding order. SBA will notify you in writing of its funding decision.

§ 123.411 What if SBA determines that your business loan request meets the selection criteria of § 123.409 but SBA is unable to fund it because SBA has already allocated all program funds?

If SBA determines that your business' loan request meets the selection criteria of § 123.409 but we are unable to fund it because we have already allocated all available program funds, your request will be given priority status, based on the original acceptance date, once more program funds become available. However, if more than 6 months pass since SBA determined to fund your request, SBA may request updated or additional financial information.

§ 123.412 What happens if SBA declines your business' pre-disaster mitigation loan request?

If SBA declines your business' loan request, SBA will notify your business in writing giving specific reasons for decline. If your business disagrees with SBA's decision, it may respond in accordance with § 123.13. If SBA reverses its decision, SBA will use the date it received your business' last request for reconsideration or appeal as the basis for determining the order of funding.

Dated: July 12, 2002.

Hector V. Barreto,

Administrator.

[FR Doc. 02–25143 Filed 10–4–02; 8:45 am]

BILLING CODE 8025–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 25

[Docket No. NM230; Special Conditions No. 25–215–SC]

Special Conditions: Boeing Model 737 –100, –200, and –300 Series Airplanes; High-Intensity Radiated Fields (HIRF)

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final special conditions; request for comments.

SUMMARY: These special conditions are issued for Boeing 737 -100, -200, & -300 series airplanes modified by Aircraft Systems & Manufacturing, Inc. These modified airplanes will have a novel or unusual design feature when compared to the state of technology envisioned in the airworthiness standards for transport category airplanes. The modification incorporates the installation of a new IS&S Digital Air Data Control System that performs critical functions. The applicable airworthiness regulations do not contain adequate or appropriate safety standards for the protection of these systems from the effects of high-intensity radiated fields (HIRF). These special conditions contain the additional safety standards that the Administrator considers necessary to establish a level of safety equivalent to that established by the existing airworthiness standards.

DATES: The effective date of these special conditions is September 26, 2002. Comments must be received on or before November 6, 2002.

ADDRESSES: Comments on these special conditions may be mailed in duplicate to: Federal Aviation Administration, Transport Airplane Directorate, Attn: Rules Docket (ANM–113), Docket No. NM230, 1601 Lind Avenue SW., Renton, Washington 98055–4056; or delivered in duplicate to the Transport Airplane Directorate at the above address. All comments must be marked: Docket No. NM230. Comments may be inspected in the Rules Docket weekdays, except Federal holidays, between 7:30 a.m. and 4:00 p.m.

FOR FURTHER INFORMATION CONTACT: Connie Beane, FAA, Standardization Branch, ANM–113, Transport Airplane