

time decided to defer consideration of this issue until it could have an opportunity to solicit comments. Nonetheless, because it is unlikely that the Congress intended the GLB Act to preclude the payment of dividends on the Class A stock, the Finance Board is inclined to propose an amendment to its capital regulations to make clear that a Bank that issues Class A stock will be permitted to pay dividends on that stock as determined by the board of directors of the Bank. Before issuing such a proposed rule, however, the Finance Board requests comments on how best to address the issue of payment of dividends on the Class A stock.

Capitalizing Out-of-District Assets

The investment by one Bank in the assets of another Bank (such as through the purchase of a participation interest) or in transactions that originated with the member of another Bank has been increasing in recent years. Such "out-of-district" assets may include Acquired Member Assets (AMA) and, as allowed under a recently adopted Finance Board rule, advances originated by another Bank or a participation interest in such advances. *See* 65 FR 43969, 43981 (July 18, 2000), *as corrected by* 65 FR 46049 (July 26, 2000) (adopting 12 CFR 950.25). Because the GLB Act and Finance Board regulations require a Bank to sell its stock only to its members, however, these out-of-district assets may present special problems to the extent that a Bank contemplated acquiring the incremental capital necessary to support these transactions through an activity-based stock purchase requirement. *See* 12 U.S.C. 1426(c)(5)(A), *as amended*; and 12 CFR 933.2(e)(2) *as adopted at* 66 FR 8320.

In addition, the GLB Act defines permanent capital specifically to "include the amounts paid for [C]lass B stock and the retained earnings of the [B]ank (as determined in accordance with generally accepted accounting principles) * * *." 12 U.S.C. 1426(a)(5)(A), *as amended*. Further, under both the GLB Act and the capital regulations, only permanent capital can be used to satisfy a Bank's minimum risk-based capital requirement. *See id.* at 1426(a)(3), and 66 FR 8313 (adopting 12 CFR 932.3). Thus, the Finance Board is limited in its ability to define additional sources of permanent capital to meet the incremental risk-based capital requirements associated with new out-of-district assets. By contrast, the GLB Act provides that total capital may include an amount from any source that is available to absorb losses incurred by a Bank and that has been determined by the Finance Board to be

appropriately included in total capital. 12 U.S.C. 1426(a)(5)(B), *as amended*. Thus, the Finance Board has greater flexibility to define sources of total capital that could be used to satisfy the Banks' minimum leverage requirements. *See id.* at 1426(a)(2) and 66 FR 8813 (adopting 12 CFR 932.2).

The Finance Board did not address the issue of capitalizing out-of-district assets in the final capital rule.¹ The Finance Board is soliciting comment on how the Banks may capitalize their out-of-district assets, such as by use of subordinated debt. It seeks discussion on whether there is merit in considering the concept of capitalizing out-of-district assets at all, assistance in identifying problems that may hinder a Bank in implementing its capital plan or in meeting its capital requirements, and, if problems are identified, suggestions for solutions to such problems (including legal analysis to support the adoption of the suggested approach).

Other Unresolved Matters

In addition to the specific issues discussed above, the Finance Board seeks comments and discussion on other unforeseen issues that were not resolved in the final rule and that may introduce uncertainty or impediments into the process of developing and implementing the required capital plans. In particular, the Finance Board is interested in any tax or accounting issues or other regulatory issues that may have come to light as the Banks have begun development of their capital plans. The Finance Board requests that commenters be as specific as possible in describing any problems or potential problems arising under the capital rule and provide a complete analysis, including any supporting legal analysis, of any proposed solutions to these problems.

Dated: March 2, 2001.

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

Allan I. Mendelowitz,
Chairman.

[FR Doc. 01-5802 Filed 3-8-01; 8:45 am]

BILLING CODE 6725-01-P

¹ In the SUPPLEMENTARY INFORMATION section of the proposing release for the capital rule, the Finance Board did request comment on the concept of the issuance of joint or pooled stock by Banks that were jointly managing assets as one solution to the problem of capitalizing out-of-district assets. *See* 65 FR 43408, 43412 (July 13, 2000). Commenters' responses to this proposal were mixed, and in the whole did not provide the Finance Board with a sufficient basis for designing a practical solution to the problem.

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2000-NM-268-AD]

RIN 2120-AA64

Airworthiness Directives; Boeing Model 767-300 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to certain Boeing Model 767-300 series airplanes. This proposal would require a one-time general visual inspection to find chafing and determine adequate clearance of certain wire bundles in the ceiling panel near the main passenger door, and corrective actions. This action is necessary to prevent damage to the wires in the bundles due to contact between the bundles and the adjacent ceiling support bracket.

Such damage could result in electrical arcing, smoke, or fire in the cabin, and failure of certain systems essential to safe flight and landing of the airplane. This action is intended to address the identified unsafe condition.

DATES: Comments must be received by April 23, 2001.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-114, Attention: Rules Docket No. 2000-NM-268-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays. Comments may be submitted via fax to (425) 227-1232. Comments may also be sent via the Internet using the following address: 9-anm-nprmcomment@faa.gov. Comments sent via fax or the Internet must contain "Docket No. 2000-NM-268-AD" in the subject line and need not be submitted in triplicate. Comments sent via the Internet as attached electronic files must be formatted in Microsoft Word 97 for Windows or ASCII text.

The service information referenced in the proposed rule may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124-2207. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT:

Elias Natsiopoulos, Aerospace Engineer, Systems and Equipment Branch, ANM-130S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (425) 227-1279; fax (425) 227-1181.

SUPPLEMENTARY INFORMATION:**Comments Invited**

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

Submit comments using the following format:

- Organize comments issue-by-issue. For example, discuss a request to change the compliance time and a request to change the service bulletin reference as two separate issues.
- For each issue, state what specific change to the proposed AD is being requested.
- Include justification (e.g., reasons or data) for each request.

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

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this action must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 2000-NM-268-AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM-114, Attention: Rules Docket No. 2000-NM-268-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

Discussion

The FAA has received reports indicating two incidents, on a Boeing

Model 767-300 series airplane, of wire bundle chafing and subsequent arcing against a ceiling support bracket attached to the F-4/G-2 galley at body station 355. In the first incident, approximately 20 wire segments were burnt and severed, which resulted in smoke in the cabin, release of oxygen masks, tripping of various circuit breakers, loss of flight-essential systems, and an air turnback. In the second incident, there was a flash and static noise followed by a shower of sparks and ash. During an inspection on a recently delivered Model 767-300 series airplane, a potential chafing condition was found between the same wire bundles and support bracket described above.

Because these wires are connected to such flight-essential systems as the fuel shutoff valves for the engines, oxygen deployment for passengers, emergency lighting, passenger signs, and the signal for emergency evacuation, worn or broken wires can cause one or more of these systems to fail. Failure of the fuel shutoff valves, for example, would prevent the flight crew from stopping the flow of fuel to the engines in the event of a fire. This action is necessary to prevent damage to the wires in the bundles due to contact between the bundles and the adjacent ceiling support bracket, which could result in electrical arcing, smoke, or fire in the cabin, and failure of certain systems essential to safe flight and landing of the airplane.

Explanation of Relevant Service Information

The FAA has reviewed and approved Boeing Alert Service Bulletin 767-33A0085, Revision 2, dated December 7, 2000, which describes, among other things, procedures for a one-time inspection to find chafing and determine adequate clearance of certain wire bundles in the ceiling panel near the main passenger door, and corrective actions. The corrective actions include, but are not limited to, repair or replacement of worn wires in the wire bundles with new wires; installation of a bracket assembly on the wire bundle support bracket for certain airplanes, installation of nut spacer plates for certain other airplanes, and re-routing of the wire bundles to provide adequate clearance between the bundles and the adjacent structure. Accomplishment of the actions specified in the service bulletin is intended to adequately address the identified unsafe condition.

Explanation of Requirements of Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other products of this same type design, the proposed AD would require accomplishment of the actions specified in the service bulletin described previously, except as discussed below.

Difference Between Service Bulletin and This Proposed AD

Operators should note that, although the service bulletin specifies accomplishment of the actions as soon as manpower and facilities are available, the FAA has determined that a six-month compliance time for accomplishment of the actions would address the identified unsafe condition in a timely manner. In developing an appropriate compliance time for this AD, the FAA considered not only the manufacturer's recommendation, but the degree of urgency associated with addressing the subject unsafe condition, the average utilization of the affected fleet, and the time necessary to perform the actions. In light of all of these factors, the FAA finds a six-month compliance time for completion of the actions to be warranted, in that it represents an appropriate interval of time allowable for affected airplanes to continue to operate without compromising safety.

Cost Impact

There are approximately 135 airplanes of the affected design in the worldwide fleet. The FAA estimates that 53 airplanes of U.S. registry would be affected by this proposed AD.

It would take approximately 1 work hour per airplane to accomplish the proposed inspection, at an average labor rate of \$60 per work hour. Based on these figures, the cost impact of the inspection proposed by this AD on U.S. operators is estimated to be \$3,180, or \$60 per airplane.

It would take approximately 2 work hours per airplane to accomplish the proposed repair or replacement, at an average labor rate of \$60 per work hour. Based on these figures, the cost impact of the repair or replacement proposed by this AD on U.S. operators is estimated to be \$6,360, or \$120 per airplane.

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

cost impact figures discussed in AD rulemaking actions represent only the time necessary to perform the specific actions actually required by the AD. These figures typically do not include incidental costs, such as the time required to gain access and close up, planning time, or time necessitated by other administrative actions.

Regulatory Impact

The regulations proposed herein would 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. Therefore, it is determined that this proposal would not have federalism implications under Executive Order 13132.

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

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

Boeing: Docket 2000-NM-268-AD.

Applicability: Model 767-300 series airplanes, as listed in Boeing Alert Service Bulletin 767-33A0085, Revision 2, dated December 7, 2000, certificated in any category.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (b) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously.

To prevent damage to the wires in certain wire bundles due to contact between the bundles and the adjacent ceiling support bracket, which could result in electrical arcing, smoke, or fire in the cabin, and failure of certain systems essential to safe flight and landing of the airplane, accomplish the following:

One-Time Inspection/Corrective Actions

(a) Accomplish the requirements in paragraphs (a)(1) and (a)(2) of this AD, as applicable, at the times specified.

(1) Within 6 months after the effective date of this AD: Do a one-time general visual inspection to find chafing and determine adequate clearance of the wire bundles above the F4/G2 galley, per Figure 1 or Figure 3, as applicable, of the Accomplishment Instructions of Boeing Alert Service Bulletin 767-33A0085, Revision 2, dated December 7, 2000.

Note 2: For the purposes of this AD, a general visual inspection is defined as: "A visual examination of an interior or exterior area, installation, or assembly to find obvious damage, failure, or irregularity. This level of inspection is made under normally available lighting conditions such as daylight, hangar lighting, flashlight, or drop-light and may require removal or opening of access panels or doors. Stands, ladders, or platforms may be required to gain proximity to the area being checked."

(2) If chafing and/or inadequate clearance is found: Before further flight, repair or replace damaged wires in the wire bundles; install a bracket assembly on the wire bundle support bracket; install nut spacer plates; and re-route the wire bundles away from the ceiling support bracket, as applicable, as specified by and per Figure 2 or Figure 3, as applicable, of the Accomplishment Instructions of the alert service bulletin.

Note 3: Accomplishment of the one-time inspection and corrective actions before the effective date of this AD per Boeing Alert Service Bulletin 767-33A0085, dated May 11, 2000, or Revision 1, dated August 31, 2000, is considered acceptable for compliance with paragraph (a) of this AD.

Alternative Methods of Compliance

(b) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be

used if approved by the Manager, Seattle Aircraft Certification Office (ACO), FAA. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Seattle ACO.

Note 4: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Seattle ACO.

Special Flight Permit

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

Issued in Renton, Washington, on March 5, 2001.

Donald L. Riggan,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 01-5808 Filed 3-8-01; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 99-NM-310-AD]

RIN 2120-AA64

Airworthiness Directives; Boeing Model 737-100, -200, and -200C-Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to certain Boeing Model 737-100, -200, and -200C series airplanes. This proposal would require inspection of certain floor beams and transverse beams, and corrective actions, if necessary. The actions specified in the proposed AD are intended to detect and correct cracking at the aileron control quadrant cutouts and in the cabin floor beams and pressure web transverse beams above the main wheelwell, which could result in rapid loss of cabin pressure and reduced structural integrity of the airframe.

DATES: Comments must be received by April 23, 2001.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-114, Attention: Rules Docket No. 99-NM-310-AD, 1601 Lind Avenue, SW.,