

High Quality Liquid Assets in LCR

As discussed above, the FBRAs' HQLA allowed in the LCR differ from liquid assets allowed in FCA's liquidity regulation. To evaluate this further, we are seeking comment to determine if we propose an LCR, should FCA consider aligning FCA's liquid assets with the LCR's HQLA.

30. If FCA proposes an LCR, should we replace the current list of eligible instruments for the liquidity reserve with a list that is more closely aligned to the FBRA's HQLA instrument list (excluding common equities)? Please explain.

a. Should FCA's liquidity regulation continue to allow FCS banks to hold in their liquidity reserve instruments that are currently excluded from the FBRA's HLQA list? Which instruments and why?

b. Should FCA allow FCS banks to hold in their liquidity reserves instruments that are included in the FBRAs HLQA list, but are currently excluded from FCA's liquidity regulation? Which instruments and why?

Net Stable Funding Ratio Applicability

The BCBS introduced the NSFR to require banks to maintain a stable funding profile to reduce the likelihood that disruptions in a bank's regular sources of funding will erode its liquidity position that may increase its risk of failure. Furthermore, during periods of financial stress, financial institutions without stable funding sources may be forced to monetize assets in order to meet their obligations, which may drive down asset prices and compound liquidity issues. The NSFR implements a standardized quantitative metric designed to limit maturity mismatches and applies favorable factors to a commercial bank's primary funding source—deposits. The NSFR requires a bank to maintain an amount of available stable funding (ASF) that is not less than the amount of its required stable funding (RSF) on an ongoing basis. ASF and RSF are calculated based on the liquidity characteristics of a bank's assets, derivative exposures, commitments, liabilities, and equity over a one-year time horizon.

The NSFR and its corresponding factors adopted by the FBRAs were established to measure and maintain the stability of the funding profiles of banking organizations that rely primarily on deposits. In contrast, FCS banks issue System-wide debt securities as the primary source for funding its operations. The System would potentially need to modify its funding

structure to meet an NSFR by incorporating more long-term debt issuances. To evaluate this further, we are seeking comment to determine if the NSFR is applicable to the System's funding structure, authorities, and mission.

31. What core principles would be most important in FCA's consideration of the NSFR? How does the cooperative and non-depository structure of the System relate to the NSFR?

32. How could NSFR metrics replace any existing regulations, to ensure System banks have sufficiently stable liabilities (and regulatory capital) to support their assets and commitments over a one-year time horizon?

33. Is it beneficial or detrimental to replace existing regulations with NSFR metrics and why?

Other Considerations

The BCBS developed the Basel NSFR standard as a longer-term balance sheet funding metric to complement the Basel LCR standard's short-term liquidity stress metric. In developing the Basel NSFR standard, the FBRAs and their international counterparts in the BCBS considered a number of possible funding metrics.⁴⁹ The Basel guidance and FBRA's NSFR regulation incorporated consideration of these and other funding risks.⁵⁰

34. What other approaches or methodologies to measuring and regulating liquidity not discussed above should FCA consider and why?

C. Other Comments Requested

We welcome comments on every aspect of this advance notice of proposed rulemaking. We encourage any interested person(s) to identify and raise issues pertaining to other aspects of the liquidity framework for FCS banks and associations that we did not address in this ANPRM. Please designate such comments as "Other Relevant Issues."

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Dated: June 10, 2021.

Dale Aultman,

Secretary, Farm Credit Administration Board.

[FR Doc. 2021-13556 Filed 6-29-21; 8:45 am]

BILLING CODE 6705-01-P

⁴⁹ For example, the BCBS considered the traditional "cash capital" measure, which compares the amount of a firm's long-term and stable sources of funding to the amount of the firm's illiquid assets. The BCBS found that this cash capital measure failed to account for material funding risks, such as those related to off-balance sheet commitments and certain on-balance sheet short-term funding and lending mismatches.

⁵⁰ See 86 FR 9120 (February 11, 2021). See *supra* footnote 19.

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2021-0504; Project Identifier AD-2020-01380-T]

RIN 2120-AA64

Airworthiness Directives; The Boeing Company Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: The FAA proposes to supersede Airworthiness Directive (AD) 2019-03-26, which applies to certain The Boeing Company Model 737-600, -700, -700C, -800, -900, and -900ER series airplanes. AD 2019-03-26 requires modifying the passenger service units (PSUs) and life vest panels by replacing the existing inboard lanyard and installing two new lanyards on the outboard edge of the PSUs and life vest panels; measuring the distance between the hooks of the torsion spring of the lanyard assembly; replacing discrepant lanyard assemblies; and re-identifying serviceable lanyard assemblies. Since the FAA issued AD 2019-03-26, it has been determined that certain airplanes are listed in the wrong configuration and certain PSUs have not been correctly re-identified. This proposed AD would retain the requirements of AD 2019-03-26, and, for certain airplanes, would require an inspection to determine if the re-identified PSU part number is correct, and further re-identification if necessary. The FAA is proposing this AD to address the unsafe condition on these products.

DATES: The FAA must receive comments on this proposed AD by August 16, 2021.

ADDRESSES: You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, by any of the following methods:

- **Federal eRulemaking Portal:** Go to <https://www.regulations.gov>. Follow the instructions for submitting comments.

- **Fax:** 202-493-2251.

- **Mail:** U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590.

- **Hand Delivery:** Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this NPRM, contact Boeing Commercial Airplanes, Attention: Contractual & Data Services (C&DS), 2600 Westminister Blvd., MC 110-SK57, Seal Beach, CA 90740-5600; telephone 562-797-1717; internet <https://www.myboeingfleet.com>. You may view this service information at the FAA, Airworthiness Products Section, Operational Safety Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206-231-3195. It is also available at <https://www.regulations.gov> by searching for and locating Docket No. FAA-2021-0504.

Examining the AD Docket

You may examine the AD docket at <https://www.regulations.gov> by searching for and locating Docket No. FAA-2021-0504; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this NPRM, any comments received, and other information. The street address for Docket Operations is listed above.

FOR FURTHER INFORMATION CONTACT:

Tony Koung, Aerospace Engineer, Cabin Safety and Environmental Systems Section, FAA, Seattle ACO Branch, 2200 South 216th St., Des Moines, WA 98198; phone and fax: 206-231-3985; email: tony.koung@faa.gov.

SUPPLEMENTARY INFORMATION:

Comments Invited

The FAA invites you to send any written relevant data, views, or arguments about this proposal. Send your comments to an address listed under **ADDRESSES**. Include "Docket No. FAA-2021-0504; Project Identifier AD-2020-01380-T" at the beginning of your comments. The most helpful comments reference a specific portion of the proposal, explain the reason for any recommended change, and include supporting data. The FAA will consider all comments received by the closing date and may amend the proposal because of those comments.

Except for Confidential Business Information (CBI) as described in the following paragraph, and other information as described in 14 CFR 11.35, the FAA will post all comments received, without change, to <https://www.regulations.gov>, including any personal information you provide. The agency will also post a report summarizing each substantive verbal contact received about this proposed AD.

Confidential Business Information

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to this NPRM contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this NPRM, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission containing CBI as "PROPIN." The FAA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this NPRM. Submissions containing CBI should be sent to Tony Koung, Aerospace Engineer, Cabin Safety and Environmental Systems Section, FAA, Seattle ACO Branch, 2200 South 216th St., Des Moines, WA 98198; phone and fax: 206-231-3985; email: tony.koung@faa.gov. Any commentary that the FAA receives which is not specifically designated as CBI will be placed in the public docket for this rulemaking.

Background

The FAA issued AD 2019-03-26, Amendment 39-19578 (84 FR 7266, March 4, 2019) (AD 2019-03-26), for certain The Boeing Company Model 737-600, -700, -700C, -800, -900, and -900ER series airplanes. AD 2019-03-26 was prompted by reports of PSUs becoming detached from the supporting airplane structure in several Model 737 series airplanes. AD 2019-03-26 requires modifying the PSUs and life vest panels by replacing the existing inboard lanyard and installing two new lanyards on the outboard edge of the PSUs and life vest panels; measuring the distance between the hooks of the torsion spring of the lanyard assembly; replacing discrepant lanyard assemblies; and re-identifying serviceable lanyard assemblies. The agency issued AD 2019-03-26 to address PSUs and life vest panels detaching from the supporting airplane structure, which could lead to passenger injuries and impede passenger and crew egress during evacuation.

Actions Since AD 2019-03-26 Was Issued

Since the FAA issued AD 2019-03-26, Boeing found that, in the service information required by AD 2019-03-26, some airplanes were not assigned to the correct group and configuration. In addition, Boeing determined that the

service information had missing or incorrect re-identification part numbers for those PSUs that were modified using Boeing Service Bulletin 737-35-1107. The FAA determined that the new requirements in this proposed AD would take a minimal amount of time to accomplish. Therefore, the proposed compliance time would remain the same as the time required by AD 2019-03-26 (within 60 months after April 8, 2019 (the effective date of AD 2019-03-26)).

FAA's Determination

The FAA is issuing this NPRM after determining that the unsafe condition described previously is likely to exist or develop on other products of the same type design.

Related Service Information Under 1 CFR Part 51

The FAA reviewed Boeing Special Attention Service Bulletin 737-25-1707, Revision 2, dated July 27, 2020. This service information specifies procedures for modifying the PSUs and life vest panels by: Replacing the existing inboard lanyard and installing two new lanyards on the outboard edge of the PSUs and life vest panels (secondary retention features); measuring the distance between the hooks of the torsion spring of the lanyard assembly; replacing any discrepant lanyard assemblies; and re-identifying serviceable lanyard assemblies. For some airplanes, the service information specifies procedures for inspecting PSUs for correct re-identification part numbers and, if necessary, re-identifying the PSU. This service information is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section.

Proposed AD Requirements in This NPRM

Although this proposed AD does not explicitly restate the requirements of AD 2019-03-26, this proposed AD would retain all of the requirements of AD 2019-03-26. Those requirements are referenced in the service information identified previously, which, in turn, is referenced in paragraph (g) of this proposed AD. This proposed AD would add additional actions for certain airplanes. This proposed AD would also require accomplishment of the actions identified as "RC" (required for compliance) in the Accomplishment Instructions of Boeing Special Attention Service Bulletin 737-25-1707, Revision 2, dated July 27, 2020, described previously, except as discussed under

“Differences Between the Proposed AD and the Service Information.”

For information on the procedures and compliance times, see this service information at <https://www.regulations.gov> by searching for and locating Docket No. FAA–2021–0504.

Differences Between This Proposed AD and the Service Information

The effectivity of Boeing Special Attention Service Bulletin 737–25–

1707, Revision 2, dated July 27, 2020, is limited to Model 737–600, –700, –700C, –800, –900, and –900ER series airplanes, having certain line numbers, without a Boeing Sky Interior (BSI). However, the applicability of this proposed AD includes all Boeing Model 737–600, –700, –700C, –800, –900, and –900ER series airplanes without a BSI. Because the affected lanyard assemblies are rotatable parts, the FAA has determined that these affected parts

could later be installed on airplanes that were initially delivered with acceptable lanyard assemblies, thereby subjecting those airplanes to the unsafe condition.

Costs of Compliance

The FAA estimates that this AD, if adopted as proposed, would affect 2,045 airplanes of U.S. registry. The FAA estimates the following costs to comply with this proposed AD:

ESTIMATED COSTS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Measurement and modification (retained actions from AD 2019–03–26). Inspection of re-identified parts (per PSU) (new proposed actions).	Up to 70 work-hour × \$85 per hour = Up to \$5,950. 1 work-hour × \$85 per hour = \$85	Up to \$13,000 \$0	Up to \$18,950 \$85	Up to \$38,752,750. \$173,825.

The FAA estimates the following costs to do any necessary replacements or re-identifications that would be

required based on the results of the proposed inspection. The FAA has no way of determining the number of

aircraft that might need these replacements or re-identifications:

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Replacement or re-identification (per PSU or life vest panel).	Up to 2 work-hour × \$85 per hour = Up to \$170	Up to \$196	Up to \$366.

The FAA has included all known costs in its cost estimate. According to the manufacturer, however, some of the costs of this proposed AD may be covered under warranty, thereby reducing the cost impact on affected operators.

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA’s authority to issue rules on aviation safety. Subtitle I, Section 106, describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the Agency’s authority.

The FAA is issuing this rulemaking under the authority described in Subtitle VII, Part A, Subpart III, Section 44701, General requirements. Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

Regulatory Findings

The FAA has determined that this proposed AD would not have federalism implications under Executive Order 13132. This proposed AD 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.

For the reasons discussed above, I certify that the proposed regulation:

- (1) Is not a “significant regulatory action” under Executive Order 12866,
- (2) Would not affect intrastate aviation in Alaska, and
- (3) Would not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

The Proposed Amendment

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

the FAA proposes to amend 14 CFR part 39 as follows:

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

- 2. The FAA amends § 39.13 by:
- a. Removing Airworthiness Directive (AD) 2019–03–26, Amendment 39–19578 (84 FR 7266, March 4, 2019), and
 - b. Adding the following new AD:

The Boeing Company: Docket No. FAA–2021–0504; Project Identifier AD–2020–01380–T.

(a) Comments Due Date

The FAA must receive comments on this airworthiness directive (AD) action by August 16, 2021.

(b) Affected ADs

This AD replaces AD 2019–03–26, Amendment 39–19578 (84 FR 7266, March 4, 2019) (AD 2019–03–26).

(c) Applicability

This AD applies to The Boeing Company Model 737–600, –700, –700C, –800, –900, and –900ER series airplanes, certificated in

any category, without a Boeing Sky Interior (BSI).

(d) Subject

Air Transport Association (ATA) of America Code 25, Equipment/furnishings.

(e) Unsafe Condition

This AD was prompted by reports of passenger service units (PSUs) becoming detached from the supporting airplane structure in several Model 737 series airplanes during survivable accidents. The FAA is issuing this AD to address PSUs and life vest panels detaching from the supporting airplane structure, which could lead to passenger injuries and impede passenger and crew egress during evacuation.

(f) Compliance

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

(g) Required Actions

Within 60 months after April 8, 2019 (the effective date of AD 2019-03-26), do all applicable actions identified as "RC" (required for compliance) in, and in accordance with, the Accomplishment Instructions of Boeing Special Attention Service Bulletin 737-25-1707, Revision 2, dated July 27, 2020.

(h) Parts Installation Prohibition

As of the applicable time specified in paragraph (h)(1) or (h)(2) of this AD, no person may install on any airplane a PSU or life vest panel, unless the lanyard assembly has been modified (secondary retention features added) or re-identified, as applicable, as required by paragraph (g) of this AD.

(1) For airplanes that have PSUs or life vest panels without the secondary retention features installed: After modification or re-identification, as applicable, of the airplane as required by paragraph (g) of this AD.

(2) For airplanes that have PSUs or life vest panels with the secondary retention features installed: As of the effective date of this AD.

(i) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Seattle ACO Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or responsible Flight Standards Office, as appropriate. If sending information directly to the manager of the certification office, send it to the attention of the person identified in Related Information. Information may be emailed to: 9-ANM-Seattle-ACO-AMOC-Requests@faa.gov.

(2) Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the responsible Flight Standards Office.

(3) An AMOC that provides an acceptable level of safety may be used for any repair, modification, or alteration required by this AD if it is approved by The Boeing Company Organization Designation Authorization (ODA) that has been authorized by the Manager, Seattle ACO Branch, FAA, to make

those findings. To be approved, the repair method, modification deviation, or alteration deviation must meet the certification basis of the airplane, and the approval must specifically refer to this AD.

(4) AMOCs approved for AD 2019-03-26 are approved as AMOCs for the corresponding provisions of Boeing Special Attention Service Bulletin 737-25-1707, Revision 2, dated July 27, 2020, that are required by paragraph (g) of this AD.

(j) Related Information

(1) For more information about this AD, contact Tony Koung, Aerospace Engineer, Cabin Safety and Environmental Systems Section, FAA, Seattle ACO Branch, 2200 South 216th St., Des Moines, WA 98198; phone and fax: 206-231-3985; email: tony.koung@faa.gov.

(2) For service information identified in this AD, contact Boeing Commercial Airplanes, Attention: Contractual & Data Services (C&DS), 2600 Westminister Blvd., MC 110-SK57, Seal Beach, CA 90740-5600; telephone 562-797-1717; internet <https://www.myboeingfleet.com>. You may view this referenced service information at the FAA, Airworthiness Products Section, Operational Safety Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206-231-3195.

Issued on June 14, 2021.

Lance T. Gant,

Director, Compliance & Airworthiness Division, Aircraft Certification Service.

[FR Doc. 2021-13931 Filed 6-29-21; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2021-0457; Project Identifier AD-2020-01461-T]

RIN 2120-AA64

Airworthiness Directives; The Boeing Company Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: The FAA proposes to adopt a new airworthiness directive (AD) for certain The Boeing Company Model 787-8, 787-9, and 787-10 airplanes. This proposed AD was prompted by a report that during a fleet sampling inspection, cracks were found on the inner cylinder pivot pins of the left and right main landing gear (MLG) on one of the airplanes. This proposed AD would require repetitive lubrications of the left and right MLG truck beam and inner cylinder pivot joint, reviewing the

maintenance program documentation to verify certain lubrication tasks are incorporated, doing repetitive inspections of the MLG inner cylinder pivot pins and inner cylinder bushings of the MLG truck beam and inner cylinder joint for any friction, heat damage, excessive wear, cracking and smearing of bushing material, and applicable on-condition actions. The FAA is proposing this AD to address the unsafe condition on these products.

DATES: The FAA must receive comments on this proposed AD by August 16, 2021.

ADDRESSES: You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, by any of the following methods:

- **Federal eRulemaking Portal:** Go to <https://www.regulations.gov>. Follow the instructions for submitting comments.

- **Fax:** 202-493-2251.

- **Mail:** U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590.

- **Hand Delivery:** Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this NPRM, contact Boeing Commercial Airplanes, Attention: Contractual & Data Services (C&DS), 2600 Westminister Blvd., MC 110-SK57, Seal Beach, CA 90740-5600; telephone 562-797-1717; internet <https://www.myboeingfleet.com>. You may view this referenced service information at the FAA, Airworthiness Products Section, Operational Safety Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206-231-3195. It is also available on the internet at <https://www.regulations.gov> by searching for and locating Docket No. FAA-2021-0457.

Examining the AD Docket

You may examine the AD docket at <https://www.regulations.gov> by searching for and locating Docket No. FAA-2021-0457; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this NPRM, any comments received, and other information. The street address for Docket Operations is listed above.

FOR FURTHER INFORMATION CONTACT: Allen Rauschendorfer, Senior Aerospace Engineer, Airframe Section, FAA, Seattle ACO Branch, 2200 South 216th St., Des Moines, WA 98198; phone and