

not be impacted to a greater extent than large entity applicants.

Unfunded Mandates

This rule contains no Federal mandates (under the regulatory provisions of Title II of the Unfunded Mandates Reform Act of 1995) for State, local, and tribal Governments or the private sector. Thus, this rule is not subject to the requirements of sections 202 and 205 of the Unfunded Mandates Reform Act of 1995.

Executive Order 13175, Consultation and Coordination With Indian Tribal Governments

This executive order imposes requirements on Rural Development in the development of regulatory policies that have tribal implications or preempt tribal laws. Rural Development has determined that the final rule does not have a substantial direct effect on one or more Indian tribe(s) or on either the relationship or the distribution of powers and responsibilities between the Federal Government and Indian tribes. Thus, this final rule is not subject to the requirements of Executive Order 13175. If a tribe determines that this rule has implications of which Rural Development is not aware and would like to engage with Rural Development on this rule, please contact Rural Development's Native American Coordinator at AIAN@wdc.usda.gov.

Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995, the information collection activities associated with this rule are covered under the Business and Industry Guaranteed Loan Program, OMB Number: 0570-0017.

This rule contains no new reporting or recordkeeping burdens under OMB control number 0570-0017 that would require approval under the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35).

E-Government Act Compliance

Rural Development is committed to complying with the E-Government Act, to promote the use of the Internet and other information technologies, to provide increased opportunities for citizens to access Government information and services electronically.

I. Background

The Agency reviewed 7 CFR 4279.2 which is composed of two paragraphs, the first of which is pertinent.

Section 4279.2(a) discusses the definitions, which has thirty-seven terms used in the Guaranteed Loanmaking. The definitions and

abbreviations contained in § 4279.2 also apply to the Business and Industry Guaranteed Loan Servicing regulations and, unless otherwise noted, the Biorefinery Assistance Loan Program and the Rural Energy for America Program. Currently, the Agency regulations do not define or otherwise address "interest", "default interest", "penalty interest", or "late charges". However, it is the Agency's policy not to pay out additional cost for default interest, penalty interest, and late charges calculated and submitted on a final report of loss claim under the Loan Note Guarantee. However, lender's Promissory Note may contain provisions for default or penalty interest, or late charges with prior Agency approval.

II. Discussion of Change

The Agency is revising § 4279.2(a), to address the situation discussed in the "Background" section. Specifically, the Agency is adding a paragraph in § 4279.2(a), after the term "Holder" and before the term "Interim Financing", which will define "Interest." The change being made by this rule is to clarify that "interest" does not include default or penalty interest, or late fees. The lender may charge the borrower these fees with prior Agency approval. Accordingly, the Agency is making the changes in this direct final rule.

List of Subjects in 7 CFR Part 4279

Business and industry, Loan programs, Rural development assistance.

For the reasons set forth in the preamble, chapter XLII, title 7, of the Code of Federal Regulations is amended as follows:

CHAPTER XLII—RURAL BUSINESS-COOPERATIVE SERVICE AND RURAL UTILITIES SERVICE, DEPARTMENT OF AGRICULTURE

PART 4279—GUARANTEED LOANMAKING

- 1. The authority citation for part 4279 continues to read as follows:

Authority: 5 U.S.C. 301; 7 U.S.C. 1932(a); and 7 U.S.C. 1989.

Subpart A—General

- 2. Paragraph (a) of § 4279.2 is amended by adding a new definition of *Interest*, to read as follows:

§ 4279.2 Definitions and abbreviations.

* * * * *

Interest. A fee paid by a borrower to the lender as a form of compensation for the use of money. When money is borrowed, interest is paid as a fee over

a certain period of time (typically months or years) to the lender as a percentage of the principal amount owed. "Interest" does not include default or penalty, or late fees or charges. The lender may charge these fees and interest with prior Agency approval, but they are not covered by the Loan Note Guarantee.

* * * * *
Dated: February 2, 2012.

Dallas Tonsager,

Under Secretary, Rural Development.

[FR Doc. 2012-3244 Filed 2-10-12; 8:45 am]

BILLING CODE 3410-XY-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2006-25001; Directorate Identifier 2006-NM-079-AD; Amendment 39-16937; AD 2012-02-14]

RIN 2120-AA64

Airworthiness Directives; The Boeing Company Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for all The Boeing Company Model 737-600, -700, -700C, -800, -900, and -900ER series airplanes. This AD was prompted by a report that the top 3 inches of the aero/fire seals of the blocker doors on the thrust reverser torque boxes are not fireproof. This AD requires a one-time inspection to determine the part numbers of the aero/fire seals of the blocker doors on the thrust reverser torque boxes on the engines, and replacing affected aero/fire seals with new, improved aero/fire seals. We are issuing this AD to prevent a fire in the fan compartment (a fire zone) from migrating through the seal to a flammable fluid in the thrust reverser actuator compartment (a flammable fluid leakage zone), which could result in an uncontrolled fire.

DATES: This AD is effective March 19, 2012.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in the AD as of March 19, 2012.

ADDRESSES: For service information identified in this AD, contact Boeing Commercial Airplanes, Attention: Data & Services Management, P.O. Box 3707, MC 2H-65, Seattle, Washington 98124-

2207; telephone 206-544-5000, extension 1; fax 206-766-5680; email: me.boecom@boeing.com; Internet <https://www.myboeingfleet.com>. You may review copies of the referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington. For information on the availability of this material at the FAA, call 425-227-1221.

Examining the AD Docket

You may examine the AD docket on the Internet at <http://www.regulations.gov>; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The address for the Docket Office (phone: 800-647-5527) is Document Management Facility, U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE., Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT: Chris Parker, Aerospace Engineer, Propulsion Branch, ANM-140S, FAA, Seattle Aircraft Certification Office,

1601 Lind Avenue SW., Renton, Washington 98057-3356; phone: 425-917-6496; fax: 425-917-6590; email: chris.r.parker@faa.gov.

SUPPLEMENTARY INFORMATION:

Discussion

We issued a third supplemental notice of proposed rulemaking to amend 14 CFR part 39 to include an airworthiness directive (AD) that would apply to the specified products. That third supplemental NPRM was published in the **Federal Register** on October 11, 2011 (76 FR 62649). The original NPRM (71 FR 34025, June 13, 2006) proposed to require replacing the aero/fire seals of the blocker doors on the thrust reverser torque boxes on the engines with new improved aero/fire seals. The first supplemental NPRM (73 FR 51382, September 3, 2008) proposed to add airplanes to the applicability. The second supplemental NPRM (74 FR 34518, July 16, 2009) proposed to change the compliance time for the replacement of the aero/fire seals. The third supplemental NPRM (76 FR 62649, October 11, 2011) proposed to additionally prohibit the installation of certain non-fireproof thrust reverser seals.

Comments

We gave the public the opportunity to participate in developing this AD. We have considered the comments received. The Boeing Company and American Airlines both support the third supplemental NPRM (76 FR 62649, October 11, 2011).

Conclusion

We reviewed the relevant data, considered the comments received, and determined that air safety and the public interest require adopting the AD as proposed except for minor editorial changes. We have determined that these minor changes:

- Are consistent with the intent that was proposed in the third supplemental NPRM (76 FR 62649, October 11, 2011), for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the third supplemental NPRM (76 FR 62649, October 11, 2011).

Costs of Compliance

We estimate that this AD affects 803 airplanes of U.S. registry.

We estimate the following costs to comply with this AD:

ESTIMATED COSTS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Inspection for part number	1 work-hour × \$85 per hour = \$85 per inspection cycle.	None	\$85 per inspection cycle	\$68,255 per inspection cycle.

We estimate the following costs to do any necessary replacements that would

be required based on the results of the inspection. We have no way of

determining the number of aircraft that might need this replacement:

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Replacement	5 work-hours × \$85 per hour = \$425	\$4,770	\$5,195

According to the manufacturer, some of the costs of this AD may be covered under warranty, thereby reducing the cost impact on affected individuals. We do not control warranty coverage for affected individuals. As a result, we have included all costs in our cost estimate.

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. Subtitle VII: Aviation Programs, describes in more

detail the scope of the Agency's authority.

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

products identified in this rulemaking action.

Regulatory Findings

This AD will not have federalism implications under Executive Order 13132. This AD will not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government.

For the reasons discussed above, I certify that this AD:

- (1) Is not a "significant regulatory action" under Executive Order 12866,
- (2) Is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979),
- (3) Will not affect intrastate aviation in Alaska, and
- (4) Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 39

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

Adoption of the Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA amends 14 CFR part 39 as follows:

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

- 2. The FAA amends § 39.13 by adding the following new airworthiness directive (AD):

2012-02-14 The Boeing Company:
Amendment 39-16937; Docket No. FAA-2006-25001; Directorate Identifier 2006-NM-079-AD.

(a) Effective Date

This AD is effective March 19, 2012.

(b) Affected ADs

None.

(c) Applicability

This AD applies to all The Boeing Company Model 737-600, -700, -700C, -800, -900, and -900ER series airplanes, certificated in any category.

(d) Subject

Joint Aircraft System Component (JASC)/ Air Transport Association (ATA) of America Code 78, Engine exhaust.

(e) Unsafe Condition

This AD was prompted by a report that the top 3 inches of the aero/fire seals of the blocker doors on the thrust reverser torque boxes are not fireproof. We are issuing this AD to prevent a fire in the fan compartment (a fire zone) from migrating through the seal to a flammable fluid in the thrust reverser actuator compartment (a flammable fluid leakage zone), which could result in an uncontrolled fire.

(f) Compliance

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

(g) Inspection To Determine Type of Aero/Fire Seals

For airplanes having an original airworthiness certificate issued before the effective date of this AD, and for airplanes on which the date of issuance of the original export certificate of airworthiness is before the effective date of this AD: Within 60 months or 8,200 flight cycles, whichever occurs first, after the effective date of this AD, perform a one-time detailed inspection to determine the color of the aero/fire seals of the blocker doors on the thrust reverser torque boxes on the engines. For any aero/fire seal having a completely grey color (which is the color of seals with part number (P/N) 315A2245-1 or 315A2245-2), with no red at the upper end of the seal, do the actions specified in paragraph (i) of this AD. For any aero/fire seal having a red color at the upper end of the seal (which indicates installation of seals with P/N 315A2245-7 or 315A2245-8), no further action is required by this AD. A review of airplane maintenance records is acceptable in lieu of this inspection if from that review the part number of the correct aero/fire seals (P/N 315A2245-7 or 315A2245-8) can be conclusively determined to be installed.

(h) Definition

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 mirrors, magnifying lenses, etc., may be necessary. Surface cleaning and elaborate procedures may be required."

(i) Replacement of the Aero/Fire Seals

For any aero/fire seal identified during the inspection/records check required by paragraph (g) of this AD to have a non-fireproof seal: Within six months after doing the actions required by paragraph (g) of this AD, replace the aero/fire seals of the blocker doors on the thrust reverser torque boxes on the engines with new, improved aero/fire seals, in accordance with the Accomplishment Instructions of Boeing Special Attention Service Bulletin 737-78-1074, Revision 1, dated September 15, 2005. Replacing the aero/fire seals of the blocker doors on the thrust reverser torque boxes on the engines with new, improved aero/fire seals, in accordance with the Accomplishment Instructions of Boeing Special Attention Service Bulletin 737-78-1074, Revision 1, dated September 15, 2005, is terminating action for the inspection required by paragraph (g) of this AD.

(j) Parts Installation

As of the effective date of this AD, no person may install a non-fireproof thrust reverser seal having P/N 315A2245-1 or P/N 315A2245-2 on any airplane.

(k) Credit for Actions Accomplished in Accordance With Previous Service Information

Replacements done before the effective date of this AD in accordance with the

Accomplishment Instructions of Boeing Special Attention Service Bulletin 737-78-1074, dated April 7, 2005, are acceptable for compliance with the requirements of paragraph (i) of this AD.

(l) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Seattle Aircraft Certification Office (ACO), FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the ACO, send it to the attention of the person identified in the Related Information section of this AD. 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 local flight standards district office/certificate holding district office.

(m) Related Information

For more information about this AD, contact Chris Parker, Aerospace Engineer, Propulsion Branch, ANM-140S, 1601 Lind Avenue SW., Renton, Washington 98057-3356; phone: 425-917-6496; fax: 425-917-6590; email: chris.r.parker@faa.gov.

(n) Material Incorporated by Reference

(1) You must use the following service information to do the actions required by this AD, unless the AD specifies otherwise. The Director of the Federal Register approved the incorporation by reference (IBR) under 5 U.S.C. 552(a) and 1 CFR part 51.

(i) Boeing Special Attention Service Bulletin 737-78-1074, Revision 1, dated September 15, 2005.

(2) For service information identified in this AD, contact Boeing Commercial Airplanes, Attention: Data & Services Management, P.O. Box 3707, MC 2H-65, Seattle, Washington 98124-2207; telephone 206-544-5000, extension 1; fax 206-766-5680; email: me.boecom@boeing.com; Internet <https://www.myboeingfleet.com>.

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

(4) You may also review copies of the service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at an NARA facility, call 202-741-6030, or go to http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html.

Issued in Renton, Washington, on January 12, 2012.

Michael J. Kaszycki,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2012-2679 Filed 2-10-12; 8:45 am]

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