inadvertent distinction made in the definition based on whether the institution's deposits are FDIC-insured is neither required nor appropriate. In order to eliminate the distinction and treat all U.S. branches and agencies of foreign banks equally, the Finance Board is amending the definition of ''deposits in banks or trusts'' in § 931.5 to include as eligible investments for purposes of section 11(g) of the Bank Act, FHLBank deposits in any U.S. branch or agency of a foreign bank that has legal authority to accept deposits or engage in federal funds transactions. To achieve this result, the Finance Board has added a new § 931.5(c)(3) that includes expressly a deposit in, or federal funds transactions with, a U.S. branch or agency of a foreign bank that is subject to the supervision of the Board of Governors and is designated by a FHLBank's board of directors. The terms ''branch,'' ''agency,'' and ''foreign bank'' have the same meaning as in the International Banking Act of 1978, as amended. *See* 12 U.S.C. 3101(1), (3), (7).

The changes made by the interim final rule also are consistent with the provisions of federal law that require the treatment of all U.S. branches and agencies of foreign banks to be similar to the treatment of domestic depository institutions.

III. Notice and Public Participation

The Finance Board finds that the notice and comment procedure required by the Administrative Procedure Act is unnecessary, impracticable, and contrary to the public interest in this instance because the change made by the interim final rule is technical in nature and applies only to the FHLBanks. *See* 5 U.S.C. 553(b)(3)(B). In addition, as explained above, the changes made by the interim final rule are necessary to comply with various provisions of federal law. Nevertheless, because the Finance Board believes public comments aid in effective rulemaking, it will accept written comments on the interim final rule on or before March 17, 1997.

IV. Effective Date

For the reasons stated in part III above, the Finance Board for good cause finds that the interim final rule should become effective on February 14, 1997. *See* 5 U.S.C. 553(d)(3).

V. Regulatory Flexibility Act

The Finance Board is adopting the technical amendment to part 931 in the form of an interim final rule and not as a proposed rule. Therefore, the provisions of the Regulatory Flexibility Act do not apply. *See* 5 U.S.C. 601(2), 603(a).

VI. Paperwork Reduction Act

No collections of information pursuant to the Paperwork Reduction Act of 1995 are contained in this interim final rule. *See* 44 U.S.C. 3501, *et seq.* Consequently, the Finance Board has not submitted any information to the Office of Management and Budget for review.

List of Subjects in 12 CFR Part 931

Banks, banking, Federal home loan banks.

Accordingly, the Federal Housing Finance Board hereby amends title 12, chapter IX, part 931 of the Code of Federal Regulations, as follows:

PART 931—DEFINITIONS

1. The authority citation for part 931 continues to read as follows:

Authority: 12 U.S.C. 1422a, 1422b, 1427, and 1431(g).

2. Section 931.5 is revised to read as follows:

§ 931.5 Deposits in banks or trust companies.

Include:

(a) A deposit in another Bank;

(b) A demand account in a Federal Reserve Bank; and

(c) A deposit in, or a sale of federal funds to:

(1) An insured depository institution, as defined in section 2(12)(A) of the Act, that is designated by a Bank's board of directors;

(2) A trust company that is a member of the Federal Reserve System or insured by the Federal Deposit Insurance Corporation, and is designated by a Bank's board of directors; or

(3) A U.S. branch or agency of a foreign bank, as defined in the International Banking Act of 1978, as amended (12 U.S.C. 3101 *et seq.*), that is subject to the supervision of the Board of Governors of the Federal Reserve System, and is designated by a Bank's board of directors.

By the Board of Directors of the Federal Housing Finance Board

Bruce A. Morrison,

Chairperson.

[FR Doc. 97–3403 Filed 2–13–97; 8:45 am]

BILLING CODE 6725–01–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 96–NM–153–AD; Amendment 39–9925; AD 97–04–01]

RIN 2120–AA64

Airworthiness Directives; Boeing Model 737 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD), applicable to certain Boeing Model 737 series airplanes, that requires modification of the aileron centering spring and trim mechanism. This amendment is prompted by a review of the design of the flight control systems on Model 737 series airplanes. The actions specified by this AD are intended to prevent jamming of the aileron control system during flight due to fracturing of the springs in the aileron centering units; this condition, if not corrected, could result in reduced lateral control of the airplane.

DATES: Effective March 21, 1997.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of March 21, 1997.

ADDRESSES: The service information referenced in this AD may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124–2207. This information may be examined at the Federal Aviation Administration (FAA), Transport Airplane Directorate, Rules Docket, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., Suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Don Kurle, Senior Engineer, Systems and Equipment Branch, ANM–130S, FAA, Transport Airplane Directorate, Seattle Aircraft Certification Office, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (206) 227–2798; fax (206) 227–1181.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an airworthiness directive (AD) that is applicable to certain Boeing Model 737 series airplanes was published in the Federal Register on August 28, 1996 (61 FR 44247). That action proposed to require modification

of the aileron centering spring and trim mechanism.

Interested persons have been afforded an opportunity to participate in the making of this amendment. Due consideration has been given to the comments received.

Request To Revise Statement of Findings of Critical Design Review Team

One commenter requests the second paragraph of the Discussion section that appeared in the preamble to the proposed rule be revised to accurately reflect the findings of the Critical Design Review (CDR) team. The commenter asks that the FAA delete the one sentence in that paragraph, which read: ''The recommendations of the team include various changes to the design of the flight control systems of these airplanes, as well as correction of certain design deficiencies.'' The commenter suggests that the following sentences should be added: ''The team did not find any design issues that could lead to a definite cause of the accidents that gave rise to this effort. The recommendations of the team include various changes to the design of the flight control systems of these airplanes, as well as incorporation of certain design improvements in order to enhance its already acceptable level of safety.''

The FAA does not find that a revision to this final rule in the manner suggested by the commenter is necessary, since the Discussion section of a proposed rule does not reappear in a final rule. The FAA acknowledges that the CDR team did not find any design issue that could lead to a definite cause of the accidents that gave rise to this effort. However, as a result of having conducted the CDR of the flight control systems on Boeing Model 737 series airplanes, the team indicated that there are a number of recommendations that should be addressed by the FAA for each of the various models of the Model 737. In reviewing these recommendations, the FAA has concluded that they address unsafe conditions that must be corrected through the issuance of AD's. Therefore, the FAA does not concur that these design changes merely ''enhance [the Model 737's] already acceptable level of safety.''

Request To Withdraw the Proposal

One commenter contends that the proposal is not justified since it cannot be supported by data. The commenter does not consider that the proposal contributes to improving the safety aspects of Model 737 airplanes. The commenter states that the Critical Design Review (CDR) team's report does not indicate that there is any evidence to tie the referenced service documents to any in-service problems or accidents. The commenter adds that the FAA has not indicated that it has reviewed any routine component tear-down reports that would support the proposed actions. The commenter concludes that the FAA does not understand the enormity of the proposed action. The FAA infers from these remarks that the commenter requests the proposed rule be withdrawn.

The FAA does not concur. The FAA has received at least 26 reports from two operators of Model 737 series airplanes indicating that fractured springs were found in the aileron centering units. The cause of the fracturing was attributed to fatigue cracking. Two of the reports indicated that the fractured springs had become lodged in a centering cam hole, which caused binding of the aileron control system. The FAA's position is that this condition is a potential unsafe condition that must be corrected in order to ensure the safety of the affected fleet.

Request To Delay Issuance of the Final Rule

The Air Transport Association (ATA) of America, on behalf of two of its members, requests that the FAA postpone issuing the final rule until Boeing revises the service bulletin cited in the proposal to incorporate the three Notice of Status Change documents referenced in the proposed AD. The ATA indicates that this will ensure no confusion exists concerning service bulletin recommendations.

The FAA does not concur with the commenter's request to delay issuance of the final rule. The FAA has been advised that Boeing has no plans to revise the referenced service bulletin to incorporate the Notice of Status Change documents. To delay this action would be inappropriate, since the FAA has determined that an unsafe condition exists and that the required modification must be accomplished to ensure continued safety.

Requests To Revise Compliance Time

One commenter requests that the proposed compliance time be shortened from 18 months to 12 months to provide an acceptable level of safety. The commenter provides no data in support of its request.

A second commenter requests that the proposed compliance time be extended beyond 18 months to ensure that adequate parts and trained personnel are available to accomplish the modification. The commenter did not submit data to substantiate its request.

The FAA does not concur with the commenters' requests to revise the compliance time. As explained in the preamble to the proposal, the FAA's intent is that the modification be performed during a regularly scheduled maintenance visit for the majority of the affected fleet when the airplanes would be located at a base where special equipment and trained personnel would be readily available, if necessary. The FAA finds that 18 months corresponds closely to the interval representative of most of the affected operators' normal maintenance schedules. The FAA considers that this interval will provide an acceptable level of safety.

Request To Allow Measurement of Thickness of Aileron Centering Spring

The ATA, on behalf of one of its members, requests that operators be allowed to measure the thickness of the aileron centering spring in lieu of determining the part number. The ATA indicates that the part number of the aileron centering spring cannot be determined by inspecting the part because it is impossible to read the part number on the spring. However, the difference in diameter between the spring having part number 69–39429–2 and the spring having part number 69–39429–3 can be distinguished by measurement. The ATA states that if a part has a thickness greater than 0.13 inch, this should constitute compliance with the AD. One ATA member indicates that drawings show that the spring having part number 69–39429–2 is made from 0.125-inch diameter wire, and that the spring having part number 69–39429–3 is made from 0.135-inch diameter wire.

The FAA does not concur. The FAA acknowledges that, except for a removable tag, the spring is not marked with a part number. However, it is not necessary to read the part number of the spring. If an operator previously has performed the actions described in the referenced service bulletin, the correct spring should be installed on the airplane; if not, an incorrect spring would have been installed. In the unlikely event that the spring has been changed due to a maintenance action apart from incorporation of the referenced service bulletin, it is difficult to determine which spring is installed. The only way to ensure that the proper spring is installed is to perform the actions of the referenced service bulletin. Further, the FAA does not agree that the springs having part numbers 69–39429–2 and 69–39429–3 are made from different diameter wire;

the FAA has determined that both springs are made from 0.135-inch diameter wire.

Conclusion

After careful review of the available data, including the comments noted above, the FAA has determined that air safety and the public interest require the adoption of the rule as proposed.

Cost Impact

There are approximately 1,631 Model 737 series airplanes of the affected design in the worldwide fleet. The FAA estimates that 830 airplanes of U.S. registry will be affected by this AD.

The FAA estimates that 485 Group 1 airplanes will be affected by this AD. For Group 1 airplanes, the FAA estimates that it will take approximately 2 work hours per airplane to accomplish the required actions, and that the average labor rate is $60 per work hour. Required parts will cost approximately $707 per airplane. Based on these figures, the cost impact of the AD on U.S. operators of Group 1 airplanes is estimated to be $401,095, or $827 per airplane.

The FAA estimates that 345 Group 2 airplanes will be affected by this AD. For Group 2 airplanes, the FAA estimates that it will take approximately 2 work hours per airplane to accomplish the required actions, and that the average labor rate is $60 per work hour. Required parts will cost approximately $224 per airplane. Based on these figures, the cost impact of the AD on U.S. operators of Group 2 airplanes is estimated to be $118,680, or $344 per airplane.

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

Regulatory Impact

The regulations adopted herein will not have substantial direct effects 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, in accordance with Executive Order 12612, it is determined that this final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this action (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); and (3) 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 final evaluation has been prepared for this action and it is contained in the Rules Docket. A copy of it may be obtained from the Rules Docket at the location provided under the caption **ADDRESSES.**

List of Subjects in 14 CFR Part 39

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

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends 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:

97–04–01 Boeing: Amendment 39–9925. Docket 96–NM–153–AD.

Applicability: Model 737 series airplanes; as listed in Boeing Service Bulletin 737–27–1155, dated October 26, 1989; as revised by Notices of Status Change No. 737–27–1155NSC1, dated January 25, 1990, No. 737–27–1155NSC2, dated February 15, 1990, and No. 737–27–1155NSC3, dated May 17, 1990; certificated in any category.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been otherwise 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 (c) 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 jamming of the aileron control system during flight, which could result in reduced lateral control of the airplane, accomplish the following:

(a) Within 18 months after the effective date of this AD, accomplish the requirements of paragraphs (a)(1), (a)(2), and (a)(3) of this AD, as applicable, in accordance with Boeing Service Bulletin 737–27–1155, dated October 26, 1989; as revised by Notice of Status Change No. 737–27–1155NSC1, dated January 25, 1990, and Notice of Status Change No. 737–27–1155NSC2, dated February 15, 1990, and Notice of Status Change No. 737–27–1155NSC3, dated May 17, 1990.

(1) For Groups 1 and 2 airplanes: Replace the aileron centering springs, part number (P/N) 69–39429–2, with improved springs, P/N 69–39429–3, in accordance with the service bulletin and Notices of Status Change.

(2) For Groups 1 and 2 airplanes: Install a two-piece plug, P/N 69–78072–1, in the weight reduction hole in the feel cam in accordance with the service bulletin and Notices of Status Change.

(3) For Group 1 airplanes: Replace the two eyebolts, P/N 69–39423–1, of the aileron centering spring attachment with new eyebolts, P/N 69–74646–1, in accordance with the service bulletin and Notices of Status Change.

(b) As of the effective date of this AD, no person shall install the items specified in paragraphs (b)(1) and (b)(2) of this AD on any airplane, as specified:

(1) For Groups 1 and 2 airplanes: Aileron centering springs having P/N 69–39429–2 shall not be installed.

(2) For Group 1 airplanes: Eyebolts, P/N 69–39423–1, of the aileron centering spring attachment shall not be installed.

(c) 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, Transport Airplane Directorate. 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 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Seattle ACO.

(d) Special flight permits may be issued in accordance with 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.

(e) The replacement and installation shall be done in accordance with Boeing Service Bulletin 737–27–1155, dated October 26, 1989; as revised by Notice of Status Change No. 737–27–1155NSC1, dated January 25, 1990, and Notice of Status Change No. 737–27–1155NSC2, dated February 15, 1990, and Notice of Status Change No. 737–27–1155NSC3, dated May 17, 1990. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124–2207. Copies may be inspected at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(f) This amendment becomes effective on March 21, 1997.

Issued in Renton, Washington, on February 4, 1997.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 97–3267 Filed 2–13–97; 8:45 am]

BILLING CODE 4910–13–U

14 CFR Part 71

[Airspace Docket No. 96–AEA–15]

Establishment of Class E Airspace; Stuart, VA

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This action establishes Class E airpsace at Stuart, VA, to accommodate a Global Positioning System (GPS) Standard Instrument Approach Procedure (SIAP) to Runway (RWY) 26 at Micro Airport. The intended effect of this action is to provide adequate controlled airspace for instrument flight rules (IFR) operations at the airport.

EFFECTIVE DATE: 0901 UTC, May 22, 1997.

FOR FURTHER INFORMATION CONTACT: Mr. Frances Jordan, Airspace Specialist, Operations Branch, AEA–530, Air Traffic Division, Eastern Region, Federal Aviation Administration, Federal Building #111, John F. Kennedy International Airport, Jamaica, New York 11430, telephone: (718) 553–4521.

SUPPLEMENTARY INFORMATION:

History

On January 3, 1997, the FAA proposed to amend Part 71 of the Federal Aviation Regulations (14 CFR Part 71) by establishing Class E airspace at Stuart, VA (62 FR 348). This action would provide adequate Class E airspace for IFR operations at Micro Airport.

Interested parties were invited to participate in this rulemaking proceeding by submitting written comments on the proposal to the FAA. No comments objecting to the proposal were received.

Class E airspace areas designations are published in paragraph 6605 of FAA Order 7400.9D, dated September 4, 1996, and effective September 16, 1996, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designation listed in this document will be published subsequently in the Order.

The Rule

This amendment to Part 71 of the Federal Aviation Regulation (14 CFR part 71) establishes Class E airspace area at Stuart, VA, to accommodate a GPS RWY 26 and for IFR operations at Micro Airport.

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. Therefore, this regulation—(1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''singificant rule'' under DOT Regulatory Policies and Procedures (44 FR 10034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation it is certified that this rule will not have significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibliity Act.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

Adoption of the Amendment

In consideration of the foregoing, the Federal Aviation Administration amends 14 CFR Part 71 as follows:

PART 71—[AMENDED]

1. The authority citation for 14 CFR Part 71 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; EO 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389; 14 CFR 11.69.

§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of Federal Aviation Administration Order 7400.9D, Airspace Designations and Reporting Points, dated September 4, 1996, and effective September 16, 1996, is amended as follows:

Paragraph 6005 Class E airspace areas extending upward from 700 feet or more above the surface of the earth.

* * * * *

AEA VA E5 Stuart, VA [New]

Micro Airport, VA
(lat. 36°44′07″N., long. 80°26′56″W.)

That airspace extending upward from 700 feet above the surface within a 8-mile radius of Micro Airport and within 4.5 miles each side of the 072° bearing from the airport from the 8-mile radius to 15 miles northeast of the airport.

* * * * *

Issued in Jamaica, New York on February 3, 1997.

James K. Buckles,

Acting Manager, Air Traffic Division, Eastern Region.

[FR Doc. 97–3750 Filed 2–13–97; 8:45 am]

BILLING CODE 4910–13–M

14 CFR Part 71

[Airspace Docket No. 96–AEA–16]

Establishment of Class E Airspace; Johnstown, NY

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This action establishes Class E airspace at Johnstown, NY, to accommodate Global Positioning System (GPS) Standard Instrument Approach Procedures (SIAP) to Runway (RWY) 10 and RWY 28 at Fulton County Airport. The intended effect of this action is to provide adequate controlled airspace for instrument flight rules (IFR) operations at the airport.

EFFECTIVE DATE: 0901 UTC, May 22, 1997.

FOR FURTHER INFORMATION CONTACT: Mr. Frances Jordan, Airspace Specialist, Operations Branch, AEA–530, Air Traffic Division, Eastern Region, Federal Aviation Administration, Federal Building #111, John F. Kennedy International Airport, Jamaica, New York 11430, telephone: (718) 553–4521.

SUPPLEMENTARY INFORMATION:

History

On January 3, 1997, the FAA proposed to amend Part 71 of the Federal Aviation Regulations (14 CFR Part 71) by establishing Class E airspace at Johnstown, NY (62 FR 347). This action would provide adequate Class E airspace for IFR operations at Fulton County Airport.

Interested parties were invited to participate in this rulemaking proceeding by submitting written comments on the proposal to the FAA. No comments objecting to the proposal were received.

Class E airspace areas designations are published in paragraph 6005 of FAA Order 7400.9D, dated September 4, 1996, and effective September 16, 1996, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designation listed in this document will be published subsequently in the Order.

The Rule

This amendment to Part 71 of the Federal Aviation Regulations (14 CFR