percent of the association's capital and surplus.

(d) All Farmers' notes in which an association invests shall have at least one or a combination of the following credit enhancements:

(1) The selling entity must endorse these Farmers' notes with full recourse;

(2) A guarantee by a creditworthy third party covers the full principal amount of the Farmers' note;

(3) Acceptable insurance covers the principal amount of each Farmers' note;

(4) The selling entity or a third party maintains a reserve of cash or marketable securities in an amount that equals or exceeds 10 percent of the principal amount of each Farmers' note;

(5) The selling entity or a third party holds a subordinated interest that equals or exceeds 10 percent of the principal amount of each Farmers' note; or

(6) The entire principal amount of the Farmers' notes is covered by a combination of credit enhancements listed in this section.

Subpart H—Capital Adequacy

9. Amend § 615.5210 by adding new paragraphs (f)(2)(ii)(M) and (N); (f)(2)(iii)(C); and (f)(2)(iv)(E) and (F) to read as follows:

§ 615.5210 Computation of the permanent capital ratio.

* * * * *

(f) * * *

(2) * * *

(ii) * * *

(M) Claims on other financing institutions provided that:

(*1*) The other financing institution qualifies as an OECD bank or it is owned and controlled by an OECD bank that guarantees the claim, or

(*2*) The other financing institution has a rating in one of the highest three investment-grade rating categories from a NRSRO or the claim is guaranteed by a parent company with such a rating, and

(*3*) The other financing institution has endorsed all obligations it pledges to its funding Farm Credit bank with full recourse.

(N) Investments in Farmers' notes that:

(*1*) Provide the Farm Credit System direct lender association full recourse against a seller or has other acceptable credit enhancements specified in § 615.5172(d), and

(*2*) Are guaranteed by an OECD bank or other institution that qualifies for a 20-percent risk weight under this section, or

(*3*) Are sold by entities that:

(*i*) Are rated in one of the highest three investment-grade rating categories from a NRSRO or the investment is guaranteed by a parent company with such a rating. If the entity has more than one NRSRO rating the lowest rating shall apply.

(*ii*) Maintain capital to total assets of at least 9 percent.

(iii) * * *

(C) Claims on other financing institutions that:

(*1*) Are not covered by the provisions of paragraph (f)(2)(ii)(M) of this section, but otherwise meet similar capital, risk identification and control, and operational standards, or

(*2*) Carry an investment-grade or higher NRSRO rating, and

(*3*) The other financing institution has endorsed all obligations to its Farm Credit funding bank with full recourse.

(D) Investments in Farmers' notes that:

(*1*) Provide the Farm Credit System direct lender association full recourse against a seller or has other acceptable credit enhancements specified in § 615.5172(d), and

(*2*) The seller is not covered by the provisions of paragraph N (20-percent risk weight), but otherwise meets similar capital, risk identification and control, and operational standards, or

(*3*) The credit provider carries an investment-grade or higher NRSRO rating.

(iv) * * *

(E) Claims on other financing institutions that do not otherwise qualify for a lower risk weight category under this section.

(F) Investments in Farmers' notes that do not otherwise qualify for a lower risk weight under this section.

* * * * *

Dated: August 6, 2003.

Jeanette C. Brinkley,

Secretary, Farm Credit Administration Board.

[FR Doc. 03–20360 Filed 8–8–03; 8:45 am]

BILLING CODE 6705–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2002–NM–173–AD]

RIN 2120–AA64

Airworthiness Directives; Boeing Model 747–400, –400D, and –400F Series Airplanes Equipped With General Electric (GE) or Pratt & Whitney (P&W) Series Engines

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 747–400, –400D, and –400F series airplanes; equipped with GE or P&W series engines. This proposal would require modifications and functional tests of the wiring of the wire integration unit and the air supply control test unit (ASCTU) of the engine bleed air distribution system. This action is necessary to prevent inadvertent commanded shutdown of the engine bleed air distribution systems due to an erroneous ASCTU command. Such a shutdown could cause depressurization of the airplane and subsequent ice build-up on the engine inlets during descent, which could result in ingestion of ice into the engine(s) and consequent loss of thrust on one or more engines. This action is intended to address the identified unsafe condition.

DATES: Comments must be received by September 25, 2003.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 2002–NM–173–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9 a.m. and 3 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. 2002–NM–173–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 or 2000 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: Don Eiford, Aerospace Engineer, Systems and Equipment Branch, ANM–130S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (425) 917–6465; fax (425) 917–6590.

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 2002–NM–173–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. 2002–NM–173–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

Discussion

The FAA has received a report from one operator that, on two separate occasions, there was a loss of airflow from all four bleed air distribution systems on a Model 747 series airplane. Investigation revealed that there were incorrect connections of certain jumper wires to the air supply control test unit (ASCTU) that caused it to indicate an erroneous strut overheat condition. When the ASCTU is in the identified configuration, as found in the airplane incident above, it erroneously senses a strut overheat input. When the ASCTU identifies a strut overheat condition, the ASCTU will command shutdown of the bleed air distribution systems. The ASCTU will identify a normal condition instead of a strut overheat condition if the jumper wires are installed properly.

Inadvertent commanded shutdown of the engine bleed air distribution systems due to an erroneous ASCTU command, could cause depressurization of the airplane and subsequent ice build-up on the engine inlets during descent, which could result in ingestion of ice into the engine(s) and consequent loss of thrust on one or more engines.

Explanation of Relevant Service Information

The FAA has reviewed and approved Boeing Service Bulletin 747–36A2136, Revision 1, dated January 17, 2002, which describes procedures for modifications and resistance tests and post-installation ASCTU tests of the wiring of the wire integration unit (WIU) and the ASCTU of the engine bleed air distribution system. The modifications include wiring changes between the WIU and ASCTU, and wiring changes to the WIU.

The Boeing service bulletin specifies accomplishment of Hamilton Sundstrand Service Bulletin 36–186, dated March 30, 2001. The Hamilton Sundstrand service bulletin describes procedures for modification of the ASCTU by reworking the circuit card assemblies of the bleed controllers.

Accomplishment of the actions specified in the service bulletins 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 bulletins described previously.

Changes to 14 CFR Part 39/Effect on the Proposed AD

On July 10, 2002, the FAA issued a new version of 14 CFR part 39 (67 FR 47997, July 22, 2002), which governs the FAA's airworthiness directives system. The regulation now includes material that relates to altered products, special flight permits, and alternative methods of compliance. Because we have now included this material in part 39, we no longer need to include it in each individual AD; however, this AD identifies the office authorized to approve alternative methods of compliance.

Work Hour Rate Increase

We have reviewed the figures we use to calculate the labor rate to do the required actions. To account for various inflationary costs in the airline industry, we find it appropriate to increase the labor rate used in these calculations from $60 per work hour to $65 per work hour. The economic impact information, below, has been revised to reflect this increase in the specified hourly labor rate.

Cost Impact

There are approximately 414 airplanes of the affected design in the worldwide fleet. The FAA estimates that 70 airplanes of U.S. registry would be affected by this proposed AD, that it would take approximately 8 work hours per airplane to accomplish the proposed modifications and functional tests, and that the average labor rate is $65 per work hour. Required parts would be minimal. Based on these figures, the cost impact of the proposed modifications on U.S. operators is estimated to be $36,400, or $520 per airplane.

The cost impact figure discussed above is 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 2002–NM–173–AD.

Applicability: Model 747–400, –400D, and –400F series airplanes; as listed in Boeing Service Bulletin 747–36A2136, Revision 1, dated January 17, 2002; certificated in any category.

Compliance: Required as indicated, unless accomplished previously.

To prevent inadvertent commanded shutdown of the engine bleed air distribution systems due to an erroneous air supply control test unit (ASCTU) command, which could cause depressurization of the airplane and subsequent ice build-up on the engine inlets during descent, which could result in ingestion of ice into the engine(s) and consequent loss of thrust on one or more engines, accomplish the following:

Modifications/Tests

(a) Within 18 months after the effective date of this AD: Do the modifications and functional tests of the wiring of the wire integration unit (WIU) and the ASCTU of the engine bleed air distribution system specified in paragraphs (a)(1), (a)(2), and (a)(3) of this AD, per the Accomplishment Instructions of Boeing Service Bulletin 747–36A2136, Revision 1, dated January 17, 2002.

(1) Do the wiring changes between the WIU and ASCTU and the wiring changes to the WIU.

(2) Remove the existing ASCTU and install a new or reworked ASCTU.

(3) Before further flight after accomplishment of paragraphs (a)(1) and (a)(2) of this AD: Do the resistance tests and post-installation tests.

Credit for Original Issue of Boeing Service Bulletin

(b) Modifications and tests accomplished before the effective date of this AD per Boeing Alert Service Bulletin 747–36A2136, dated April 12, 2001, are considered acceptable for compliance with the corresponding actions specified in paragraph (a) of this AD.

Part Installation

(c) As of the effective date of this AD, no person may install on any airplane an ASCTU having a part number listed in the ''Old Part Number'' column in the table specified in paragraph 3.C. of the Accomplishment Instructions of Hamilton Sundstrand Service Bulletin 36–186, dated March 30, 2001.

Alternative Methods of Compliance

(d) In accordance with 14 CFR 39.19, the Manager, Seattle Aircraft Certification Office, FAA, is authorized to approve alternative methods of compliance for this AD.

Issued in Renton, Washington, on August 5, 2003.

Kalene C. Yanamura,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 03–20389 Filed 8–8–03; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Docket No. FAA–2003–15694; Airspace Docket No. 03–AAL–12]

Proposed Establishment of Class E Airspace; Chevak, AK

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: This action proposes to establish new Class E airspace at Chevak, AK. Two new Standard Instrument Approach Procedures (SIAP) are being published for the Chevak Airport. There is no existing Class E airspace to contain aircraft executing the new instrument approaches at Chevak, AK. Adoption of this proposal would result in the establishment of Class E airspace upward from 700 feet (ft.) above the surface at Chevak, AK.

DATES: Comments must be received on or before September 25, 2003.

ADDRESSES: Send comments on the proposal to the Docket Management System, U.S. Department of Transportation, Room Plaza 401, 400 Seventh Street, SW., Washington, DC 20590–0001. You must identify the docket number FAA–2003–15694/Airspace Docket No. 03–AAL–12, at the beginning of your comments. You may also submit comments on the Internet at *http://dms.dot.gov.* You may review the public docket containing the proposal, any comments received, and any final disposition in person in the Dockets Office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The Docket Office (telephone 1–800–647–5527) is on the plaza level of the Department of Transportation NASSIF Building at the above address.

An informal docket may also be examined during normal business hours at the office of the Regional Air Traffic Division, Federal Aviation Administration, Manager, Operations Branch, AAL–530, Federal Aviation Administration, 222 West 7th Avenue, Box 14, Anchorage, AK 99513–7587.

FOR FURTHER INFORMATION CONTACT: Derril Bergt, AAL–531, Federal Aviation Administration, 222 West 7th Avenue, Box 14, Anchorage, AK 99513–7587; telephone number (907) 271–2796; fax: (907) 271–2850; email: *Derril.Bergt@faa.gov.* Internet address: *http://www.alaska.faa.gov/at.*

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views, or arguments as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, aeronautical, economic, environmental, and energy-related aspects of the proposal. Communications should identify both docket numbers and be submitted in triplicate to the address listed above. Commenters wishing the FAA to acknowledge receipt of their comments on this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket No. FAA–2003–15694/Airspace Docket No. 03–AAL–12.'' The postcard will be date/time stamped and returned to the commenter.

All communications received on or before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this notice may be changed in light of comments received. All comments submitted will be available for examination in the public docket both before and after the closing date for comments. A report summarizing each substantive public