

ACTION: Correcting amendment.

SUMMARY: This document contains corrections to a final regulation which was published July 10, 1996 (61 FR 36277). The regulation provides for maintenance of a bond equivalent in lieu of a required surety bond by packers, market agencies or dealers.

DATES: March 13, 1997.

FOR FURTHER INFORMATION CONTACT: Sharon Vassiliades, GIPSA, USDA, 1400 Independence Avenue, SW, Washington, D.C. 20250, (202) 720-1738.

SUPPLEMENTARY INFORMATION:

Background

The final regulation that is the subject of this correction revised the introductory paragraph of § 201.27(b) applicable to packers, market agencies, and dealers subject to the Packers and Stockyards Act (7 U.S.C. 181, et seq.) and became effective on August 9, 1996.

Need for Correction

As published, the final regulation inadvertently omitted language which was set forth in the proposed rulemaking published August 21, 1995 (60 FR 43411). Language in the final regulation may be confusing and is in need of clarification.

List of Subjects in 9 CFR Part 201

Bonding, Dealer, Market agency, Packer, Registration.

PART 201—REGULATIONS UNDER THE PACKERS AND STOCKYARDS ACT

Accordingly, 9 CFR 201.27(b) is corrected by making the following correcting amendment:

1. The authority citation for Part 201 continues to read as follows:

Authority: 7 U.S.C. 204, 228; 7 CFR 2.17(e), 2.56.

2. In § 201.27, paragraph (b) is revised to read as follows:

§ 201.27 Underwriter: equivalent in lieu of bonds; standard forms.

* * * * *

(b) Any packer, market agency, or dealer required to maintain a surety bond under these regulations may elect to maintain, in whole or partial substitution for such surety bond, a bond equivalent as provided below. The total amount of any such surety bond, equivalent, or combination thereof, must be the total amount of the surety bond otherwise required under these regulations. Any such bond equivalent must be in the form of:

(1) * * *
* * * * *

Done at Washington, D.C. this 7th day of March 1997.

James R. Baker,
Administrator, Grain Inspection, Packers and Stockyards Administration.

[FR Doc. 97-6263 Filed 3-12-97; 8:45 am]

BILLING CODE 3410-EN-P

SMALL BUSINESS ADMINISTRATION

13 CFR Part 107

Small Business Investment Companies

AGENCY: Small Business Administration.

ACTION: Final rule.

SUMMARY: The Small Business Administration (SBA) is amending Part 107 Section 710 and Part 107 Section 50 of its Small Business Investment Companies (SBIC) regulations by deleting the term "Smaller Business" and replacing it with the statutory term "Smaller Enterprise." These revisions to SBA's regulations are in accordance with Section 208 of the Small Business Programs Improvement Act of 1996 (SBPIAct).

EFFECTIVE DATE: March 13, 1997.

FOR FURTHER INFORMATION CONTACT: Gary M. Jackson, Assistant Administrator for Size Standards, 409 3rd Street, SW., Washington, DC 20416, (202)205-6618.

SUPPLEMENTARY INFORMATION: Division D of the Omnibus Consolidated Appropriations Act for Fiscal Year 1997 (Public Law 104-208) is the Small Business Programs Improvement Act of 1996 (SBPIAct), which amended the Small Business Investment Act of 1958 (SBIAct). Title II, Section 208 of the SBPIAct adds Section 103(12) to the SBIAct where it includes and defines the term "smaller enterprise." A "smaller enterprise" is a small business, including its affiliates, with net financial worth no greater than \$6 million and average net income of no more than \$2 million, or that meets the size standards established by SBA in 13 CFR Part 121.

Current regulations at 13 CFR § 107.710 require SBICs to make a certain proportion of their total financings into "smaller businesses," which are defined in § 107.710(a). Section 208 of the SBPIAct, however, established the same size criteria for an entity named "smaller enterprise" that SBA has in its regulations for a "smaller business." Therefore, SBA is changing the terminology of its regulations to require SBICs to finance smaller enterprises to be consistent with this legislation.

SBA is issuing a final rule because this constitutes only a change of terminology with no substantive effect upon current regulations. That is, SBA is merely adopting no more than a statutory change to a term. SBA is not modifying or otherwise changing its regulations in any way other than to the extent that the statute directs the Agency to do so.

Compliance With Executive Orders 12612, 12778, and 12866, the Regulatory Flexibility Act (5 U.S.C. 601, et seq.), and the Paperwork Reduction Act (44 U.S.C. Ch. 5)

Under the Regulatory Flexibility Act (RFA), SBA is not required to analyze the impact on small businesses of this revision of its SBIC Program regulations because: the RFA applies to federal rules that require public comment; and this is a final rule, incorporating into the Regulations the Congressionally mandated definition of a smaller enterprise. In any event, SBA does not believe this rule has a significant impact on small businesses, since the size applicable to a "smaller enterprise" remains unchanged from that for a "smaller business" which definition it replaces, and does not affect other SBA programs.

For purposes of the Paperwork Reduction Act, 44 U.S.C. Ch. 35, SBA certifies that this final rule contains no new reporting or recordkeeping requirements. For purposes of Executive Order 12612, SBA certifies that this rule does not have federalism implications warranting the preparation of a Federalism Assessment. For purposes of Executive Order 12778, SBA certifies that this rule is drafted, to the extent practicable, in accordance with the standards set forth in Section 2 of that Order.

List of Subjects in 13 CFR Part 107

Investment companies, Loan Programs—business, reporting and recordkeeping requirements, Small businesses.

PART 107—[AMENDED]

1. The authority citation for 13 CFR part 107 is revised to read as follows:

Authority: 15 U.S.C. 662 (12).

2. Section 107.50 is amended by removing the definition for "Smaller Business" and by adding a new definition in alphabetical order to read as follows:

§ 107.50 Definition of terms.

* * * * *

Smaller Enterprise has the meaning set forth in § 107.710.

* * * * *

3. Section 107.710 is revised to read as follows:

§ 107.710 Requirement to Finance Smaller Enterprises.

Your Portfolio must include Financings to Smaller Enterprises.

(a) *Definition of Smaller Enterprise.* A Smaller Enterprise means any small business concern that:

(1) Together with its Affiliates has a net worth of not more than \$6.0 million and average net income after Federal income taxes (excluding any carry-over losses) for the preceding two years no greater than \$2.0 million; or

(2) Both together with its Affiliates, and by itself, meets the size standard of § 121.201 of this chapter at the time of Financing for the industry in which it is then primarily engaged.

(b) Phase 1 of Smaller Enterprise Financing requirement. At the close of your first complete fiscal year beginning on or after April 25, 1994, at least 10 percent of the total dollar amount of the Financings you extended since April 25, 1994, must have been in Smaller Enterprises.

(c) Phase 2 of Smaller Enterprise Financing requirement. At the close of each of your next fiscal years, at least 20 percent of the total dollar amount of the Financings you extended since April 25, 1994, must have been invested in Smaller Enterprises.

(d) Financing a change of ownership which results in the creation of a Smaller Enterprises. The Financing of a change of ownership under § 107.750 which results in the creation of a Smaller Enterprise qualifies as a Smaller Enterprise Financing..

(e) Non-compliance with this section. If you have not reached the required percentage of Smaller Enterprise Financings at the end of any fiscal year, then you must be in compliance by the end of the following fiscal year.

Aida Alvarez,
Administrator.

[FR Doc. 97-5740 Filed 3-12-97; 8:45 am]

BILLING CODE 8025-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 97-NM-23-AD; Amendment 39-9961; AD 97-06-04]

RIN 2120-AA64

Airworthiness Directives; Boeing Model 757-200 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; request for comments.

SUMMARY: This amendment adopts a new airworthiness directive (AD) that is applicable to certain Boeing Model 757-200 series airplanes. This action requires inspections to detect cracking on the free edge of the tang, if necessary, and of the fastener holes in the lower spar chord; and various follow-on actions. This action also provides for optional terminating action for the requirements of this AD. This amendment is prompted by a report of fatigue cracking in the lower spar chord of two Model 757 series airplanes. The actions specified in this AD are intended to detect and correct such fatigue cracking, which could result in reduced structural integrity of the engine strut.

DATES: Effective March 28, 1997.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of March 28, 1997.

Comments for inclusion in the Rules Docket must be received on or before May 12, 1997.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 97-NM-23-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

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 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.

FOR FURTHER INFORMATION CONTACT: Todd Martin, Aerospace Engineer, Airframe Branch, ANM-120S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue, SW., Renton, Washington; telephone (206) 227-2781; fax (206) 227-1181.

SUPPLEMENTARY INFORMATION: The FAA received a report indicating that fatigue cracking was found in the lower spar chord on two Boeing Model 757-200 series airplanes powered by Rolls Royce engines. On one of these airplanes, the tang of the chord was cracked completely through. The crack had propagated approximately five inches into the vertical flange adjacent to the side skins. On the other airplane, a 0.3-inch crack was found in the tang of the chord. Such fatigue cracking, if not detected and corrected in a timely manner, could result in reduced structural integrity of the engine strut.

An initial analysis conducted by Boeing revealed that the stiffening straps, which were installed on the strut midchords of twelve airplanes during production, were the primary cause of the cracks. Consequently, to prevent cracks in the lower spar chords, the stiffening straps were removed from the midchords in accordance with Boeing Service Bulletin 757-54-0028. However, results of subsequent analysis related to the structural reassessment of the strut structure of the Model 757 revealed that cracks can continue to occur after removal of the stiffening straps. The analysis also revealed that cracks can occur in the same area on struts that are made without stiffening straps.

Explanation of Relevant Service Information

The FAA has reviewed and approved Boeing Service Bulletin 757-54-0031, Revision 2, dated December 19, 1996. The service bulletin describes procedures for certain inspections and follow-on actions, which include the following:

1. *Tang Inspection:* The service bulletin describes procedures for an eddy current inspection to detect cracking on the free edge of the tang. For airplanes on which cracking within certain limits is found, the service bulletin describes procedures for removal of the midchord channels, stop-drilling of the cracking, and installation of a repair. The service bulletin recommends that if any cracking is found that is outside specified limits, the lower spar chord must be replaced with a new or serviceable chord; however, the service bulletin does not provide procedures for such replacement.

2. *Initial Bolt Hole Inspection:* The service bulletin also describes procedures for an eddy current inspection (bolt hole inspection) to detect cracking of the two fastener holes in the lower spar chord. For airplanes on which no cracking is found during