RHS regulations in 7 CFR part 1924, subpart A, contain requirements for construction which is funded with direct RHS loans, including direct single family housing loans. The regulation also applies to larger direct funded construction projects by other agencies in the Rural Development mission area. This regulation was originally promulgated on March 13, 1987 in 52 FR 41833. One of the requirements in this regulation is that for construction work performed by the contract method (where the borrower contracts with a builder for the construction), the builder must obtain a surety bond guaranteeing payment and performance in the amount of the contract when the contract exceeds $100,000. This amount has remained unchanged since 1987. In 1987, a single family house constructed and financed under the direct single family housing loan program would not exceed $100,000. Since 1987, construction costs for single family houses financed by RHS have dramatically increased so that now construction costs frequently exceed $100,000. The requirement that builders obtain surety bonds when the construction contract exceeds $100,000 has made it difficult for contractors to compete for direct single family housing projects financed by RHS. While the regulation contains internal exceptions for the $100,000 requirement, none of these exceptions satisfactorily resolves the cost burden for builders of direct single family housing.

The revision to 7 CFR 1924.6(a)(3)(i)(A) will facilitate the process of construction by raising the threshold when the contractor must acquire surety bonds. The purpose of this regulation is to revise the existing surety bond requirement for direct funded single family housing. The new threshold will be when the contract exceeds the applicable RHS area single family housing loan limit as established pursuant to 7 CFR 3550.63 and the limit for any particular area is available from any Rural Development office.

The provisions in 7 CFR 1924.6(a)(3)(i) that require payment and performance bonds when construction is under this threshold amount remain unchanged. RHS has determined that changing the threshold for payment and performance bonds provides for more flexibility, is locality based, borrowers are adequately protected, and housing costs are reduced.

List of Subjects in 7 CFR Part 1924

Agriculture, Construction management, Construction and repair, Energy conservation, Housing, Loan programs—Agriculture, Low and moderate income housing.

For the reasons set forth in the preamble, Chapter XVIII, Title 7, of the Code of Federal Regulations is proposed to be amended as follows:

PART 1924—CONSTRUCTION AND REPAIR

1. The authority citation for part 1924 continues to read as follows:

Authority: 5 U.S.C. 301; 7 U.S.C. 1989; 42 U.S.C. 1480.

Subpart A—Planning and Performing Construction and Other Development

2. Section 1924.6 is amended by revising paragraph (a)(3)(i)(A) to read as follows:

§ 1924.6 Performing development work.

* * * * *

(a) * * *

(3) * * *

(i) * * *

(A) The contract exceeds the applicable Rural Development Single Family Housing area loan limit as per 7 CFR 3550.63. (Loan limits are available at the local Rural Development field office.)

* * * * *

Dated: July 28, 2005.

Russell T. Davis,

Administrator, Rural Housing Service.

[FR Doc. 05–17026 Filed 8–25–05; 8:45 am]

BILLING CODE 3410–XV–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2005–21998; Directorate Identifier 2005–CE–40–AD]

RIN 2120–AA64

Airworthiness Directives; GROB–WERKE Model G120A 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 all GROB–WERKE Model G120A airplanes. This proposed AD would require you to inspect for signs of any chafing damage to the attachment cables of the switch panels below the left-hand instrument panel, any damaged switch below the switch panels of the left-hand instrument panel, any damaged (that is, sharp) edge of the support tray for the attachment cables of the switch panels below the left-hand instrument panel; correct any damage found during the inspection; and apply a layer of anti-rub (protective padding) strips to the edge of the support tray. This proposed AD results from mandatory continuing airworthiness information (MCAI) issued by the airworthiness authority for Germany. We are issuing this proposed AD to detect, correct, and prevent chafing of the cables against the rear lip of the tray that holds the switch panels. Chafing of the electrical cables could result in smoke or fire in the cockpit.

DATES: We must receive any comments on this proposed AD by September 26, 2005.

ADDRESSES: Use one of the following to submit comments on this proposed AD:

- *DOT Docket Web site:* Go to *http://dms.dot.gov* and follow the instructions for sending your comments electronically.
- *Government-wide rulemaking Web site:* Go to *http://www.regulations.gov* and follow the instructions for sending your comments electronically.
- *Mail:* Docket Management Facility; U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL–401, Washington, DC 20590–001.
- *Fax:* 1–202–493–2251.
- *Hand Delivery:* Room PL–401 on the plaza level of the Nassif Building, 400 Seventh Street, S.W., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

To get the service information identified in this proposed AD, contact GROB Luft-und Raumfahrt, Lettenbachstrasse 9, D–86874 Tussenhausen-Mattsies, Federal Republic of Germany; telephone: 011 49 8268 998139; facsimile: 011 49 8268 998200.

To view the comments to this proposed AD, go to *http://dms.dot.gov.* This is docket number FAA–2005–21998; Directorate Identifier 2005–CE–40–AD.

FOR FURTHER INFORMATION CONTACT: Karl Schletzbaum, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329–4146; facsimile: (816) 329–4090.

SUPPLEMENTARY INFORMATION:

Comments Invited

How do I comment on this proposed AD? We invite you to submit any written relevant data, views, or arguments regarding this proposal. Send your comments to an address listed under **ADDRESSES**. Include the docket

number, ''FAA–2005–21998; Directorate Identifier 2005–CE–40–AD'' at the beginning of your comments. We will post all comments we receive, without change, to *http://dms.dot.gov*, including any personal information you provide. We will also post a report summarizing each substantive verbal contact with FAA personnel concerning this proposed rulemaking. Using the search function of our docket Web site, anyone can find and read the comments received into any of our dockets, including the name of the individual who sent the comment (or signed the comment on behalf of an association, business, labor union, etc.). This is docket number FAA–2005–21998; Directorate Identifier 2005–CE–40–AD. You may review the DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477–78) or you may visit *http://dms.dot.gov.*

Are there any specific portions of this proposed AD I should pay attention to? We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this proposed AD. If you contact us through a nonwritten communication and that contact relates to a substantive part of this proposed AD, we will summarize the contact and place the summary in the docket. We will consider all comments received by the closing date and may amend this proposed AD in light of those comments and contacts.

Docket Information

Where can I go to view the docket information? You may view the AD docket that contains the proposal, any comments received, and any final disposition in person at the DMS Docket Offices between 9 a.m. and 5 p.m. (eastern time), Monday through Friday, except Federal holidays. The Docket Office (telephone 1–800–647–5227) is located on the plaza level of the Department of Transportation NASSIF Building at the street address stated in **ADDRESSES.** You may also view the AD docket on the Internet at *http://dms.dot.gov.* The comments will be available in the AD docket shortly after the DMS receives them.

Discussion

What events have caused this proposed AD? The Luftfahrt-Bundesamt (LBA), which is the airworthiness authority for Germany, recently notified FAA that an unsafe condition may exist on all GROB Model G120A airplanes. The LBA reports that GROB received a report of smoke in the cockpit on a Model G120A airplane. The emergency avionic switch on the switch panel below the left-hand instrument panel was identified as the source of the smoke.

Chafing of the cables against the rear lip of the tray that holds the switch panels caused damage of the cable insulation. This damage resulted in arcing and melting of insulation.

What is the potential impact if FAA took no action? Chafing of the electrical cables could result in smoke or fire in the cockpit.

Is there service information that applies to this subject? GROB has issued Service Bulletin No. MSB1121–065, dated July 1, 2005.

What are the provisions of this service information? The service bulletin includes procedures for:

—Inspecting attachment cable bundles of switches below the switch panels of the left-hand instrument panel for any signs of chafing damage;
—Replacing attachment cable bundles if any chafing damage is found;
—Inspecting for any damaged (that is, sharp) edge on the support tray for the attachment cables of switches below the switch panels of the left-hand instrument panel;
—Grinding off any sharp edge on the support tray and cleaning thoroughly;
—Replacing any damaged switch on switch panels of the left-hand instrument panel; and
—Applying a layer of anti-rub strips (protective padding) to the edges of the panels.

What action did the LBA take? The LBA classified this service bulletin as mandatory and issued German AD Number D–2005–242, dated July 1, 2005, to ensure the continued airworthiness of these airplanes in Germany.

Did the LBA inform the United States under the bilateral airworthiness agreement? These GROB Model G120A airplanes are manufactured in Germany and are type-certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement.

Under this bilateral airworthiness agreement, the LBA has kept us informed of the situation described above.

FAA's Determination and Requirements of This Proposed AD

What has FAA decided? We have examined the LBA's findings, reviewed all available information, and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

Since the unsafe condition described previously is likely to exist or develop on other GROB Model G120A airplanes of the same type design that are registered in the United States, we are proposing AD action to detect, correct, and prevent chafing of the cables against the rear lip of the tray that holds the switch panels. Chafing of the electrical cables could result in smoke or fire in the cockpit.

What would this proposed AD require? This proposed AD would require you to incorporate the actions in the previously-referenced service bulletin.

How does the revision to 14 CFR part 39 affect this proposed AD? On July 10, 2002, we published a new version of 14 CFR part 39 (67 FR 47997, July 22, 2002), which governs FAA's AD system. This regulation now includes material that relates to altered products, special flight permits, and alternative methods of compliance. This material previously was included in each individual AD. Since this material is included in 14 CFR part 39, we will not include it in future AD actions.

Costs of Compliance

How many airplanes would this proposed AD impact? We estimate that this proposed AD affects 6 airplanes in the U.S. registry.

What would be the cost impact of this proposed AD on owners/operators of the affected airplanes? We estimate the following costs to do this proposed inspection, replacement of any damaged cable bundle, damaged switch, or grinding off any sharp edge on the support tray, and installation of the protective padding:

Labor cost	Parts cost	Total cost per airplane	Total cost on U.S. operators
1 work hour × $65 an hour = $65	$20	$85	$85 × 6 = $510

Authority for This Rulemaking

What authority does FAA have for issuing this rulemaking action? 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 AD.

Regulatory Findings

Would this proposed AD impact various entities? We have 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.

Would this proposed AD involve a significant rule or regulatory action? For the reasons discussed above, I certify that this proposed AD:

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. 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.

We prepared a summary of the costs to comply with this proposed AD (and other information as included in the Regulatory Evaluation) and placed it in the AD Docket. You may get a copy of this summary by sending a request to us at the address listed under **ADDRESSES**. Include ''AD Docket FAA–2005–21998; Directorate Identifier 2005–CE–40–AD'' in your request.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, under the authority delegated to me by the Administrator, the Federal Aviation Administration 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 adding the following new airworthiness directive (AD):

GROB–WERKE: Docket No. FAA–2005–21998; Directorate Identifier 2005–CE–40–AD.

When Is the Last Date I Can Submit Comments on This Proposed AD?

(a) We must receive comments on this proposed airworthiness directive (AD) by September 26, 2005.

What Other ADs Are Affected by This Action?

(b) None.

What Airplanes Are Affected by This AD?

(c) This AD affects Model G120A airplanes, all serial numbers, that are certificated in any category.

What Is the Unsafe Condition Presented in This AD?

(d) This AD is the result of mandatory continuing airworthiness information (MCAI) issued by the airworthiness authority for Germany. The actions specified in this AD are intended to detect, correct, and prevent chafing of the cables against the rear lip of the tray that holds the switch panels. Chafing of the electrical cables could result in smoke or fire in the cockpit.

What Must I do To Address This Problem?

(e) To address this problem, you must do the following:

Actions	Compliance	Procedures
(1) Inspect for: (i) Any signs of chafing damage to the attachment cables of switches below the switch panels of the left-hand instrument panel;. (ii) Any damaged switch on switch panels of the left-hand instrument panel; and (iii) Any damaged (that is, sharp) edge of the support tray for the attachment cables of switches below the switch panels of the left-hand instrument panel.	Within the next 50 hours time-in-service (TIS) after the effective date of this AD, unless already done.	Follow GROB Service Bulletin No. MSB1121–065 dated July 1, 2005.
(2) Correct any damage found as a result of the inspection required by paragraph (e)(1) of this AD. (i) If you find any signs of chafing damage to the attachment cables of switches below the switch panels of the left-hand instrument panel, replace the attachment cables; (ii) If you find any damaged switch below the switch panels of the left-hand instrument panel, replace the switch; and (iii) If you find any damaged (that is, sharp) edge on the support tray for the attachment cables of switches below the switch panels of the left-hand instrument panel, grind off any sharp edges and clean thoroughly.	Before further flight after the inspection required by paragraph (e)(1) of this AD.	Follow GROB Service Bulletin No. MSB1121–065 dated July 1, 2005.

Actions	Compliance	Procedures
(3) Apply anti-rub (padding) strips to the edge of the support tray for the attachment cables of switches below the switch panels of the left-hand instrument panel.	Before further flight after the inspection required by paragraph (e)(1) of this AD. This modification is required even if damage is not found during the inspections.	Follow GROB Service Bulletin No. MSB1121–065 dated July 1, 2005.

May I Request an Alternative Method of Compliance?

(f) You may request a different method of compliance or a different compliance time for this AD by following the procedures in 14 CFR 39.19. Unless FAA authorizes otherwise, send your request to your principal inspector. The principal inspector may add comments and will send your request to the Manager, Standards Office, Small Airplane Directorate, FAA. For information on any already approved alternative methods of compliance, contact Karl Schletzbaum, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329–4146; facsimile: (816) 329–4090.

Is There Other Information That Relates to This Subject?

(g) German AD Number D–2005–242, effective date: July 1, 2005, also addresses the subject of this AD.

May I Get Copies of the Documents Referenced in This AD?

(h) To get copies of the documents referenced in this AD, contact GROB Luft- und Raumfahrt, Lettenbachstrasse 9, D–86874 Tussenhausen-Mattsies, Federal Republic of Germany; telephone: 011 49 8268 998139; facsimile: 011 49 8268 998200. To view the AD docket, go to the Docket Management Facility; U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL–401, Washington, DC, or on the Internet at *http://dms.dot.gov.* This is docket number FAA–2005–21998; Directorate Identifier 2005–CE–40–AD.

Issued in Kansas City, Missouri, on August 19, 2005.

Terry L. Chasteen,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 05–16986 Filed 8–25–05; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Parts 91, 121, 125 & 135

[Docket No. FAA–2001–9483]

RIN 2120–AG43

Child Restraint Systems

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Advance notice of proposed rulemaking, withdrawal.

SUMMARY: The FAA is withdrawing a previously published Advance Notice of Proposed Rulemaking that sought public comment on issues about the use of child restraint systems (CRSs) in aircraft. Specifically, we sought crash performance and ease-of-use information about existing and new automotive CRSs, when used in aircraft. We also sought information about the development of any new or improved CRSs designed exclusively for aircraft use. We are withdrawing the document to pursue other options that will mitigate the risk of child injuries and fatalities in aircraft.

FOR FURTHER INFORMATION CONTACT: Nancy Lauck Claussen, Federal Aviation Administration, Flight Standards Service, Certificate Management Office, 2800 N. 44 Street, Suite 450, Phoenix, AZ 85008, telephone (602) 379–4350, e-mail *nancy.l.claussen@faa.gov.*

SUPPLEMENTARY INFORMATION:

Background

On February 12, 1997, the White House Commission on Aviation Safety and Security (the Commission) issued a final report that included a recommendation on CRS use during flight. The following is an excerpt from the final report:

''The FAA should revise its regulations to require that all occupants be restrained during takeoff, landing, and turbulent conditions, and that all infants and small children below the weight of 40 pounds and under the height of 40 inches be restrained in an appropriate child restraint system, such as child safety seats, appropriate to their height and weight.''

On February 18, 1998, the FAA published an Advance Notice of Proposed Rulemaking (ANPRM) to respond to the Commission's recommendation (63 FR 8324). The FAA sought public comment on issues about the use of CRSs in aircraft during all phases of flight. The ANPRM did not propose specific regulatory changes. Rather, it asked for comments, data, and analysis to help the FAA decide the best regulatory approach to ensure the safety of children who are passengers in aircraft.

The FAA has determined it is not appropriate to mandate the use of CRSs in aircraft now. We remain concerned that if we require children under 2 years old to be in an approved restraint system (which requires a passenger seat), affected operators might find it necessary to charge a fare for transporting these children. (Currently most, if not all, operators do not charge a fare for children under 2 years old who are held in an adult's lap.) In turn, for economic reasons some adults might decide to drive in automobiles to their destinations rather than fly. The FAA is concerned because automobile injury and fatality rates are higher than aircraft injury and fatality rates. As a result, there would be a net increase in transportation injuries and fatalities as families opt, for economic reasons, to drive rather than fly to their destinations.

1995 Report to Congress

In 1994 Congress required the Secretary of Transportation, by Section 522 of Public Law 103–305, to study the impact of mandating the use of CRSs for children under 2 years old on scheduled air carriers. The Secretary submitted a report of this study to Congress in 1995. The report estimated that, if a child restraint rule were imposed, approximately five infant lives would be saved aboard aircraft, and two major injuries and four minor injuries would be avoided over a 10-year period. The report also cautioned that this improvement would be offset by additional highway fatalities for airline passengers who chose to drive rather than purchase a seat for infants. Even if infant fares were only 25 percent of full fare, the report estimated that there would be diversion to cars and thus a net increase in fatalities over a 10-year period.

Industry Action

In July 1997, the air carrier industry took a positive step toward increasing infant air travel safety. At that time most major U.S. airlines introduced a general policy providing a 50 percent fare discount for domestic travel for at least one infant under 2 years old occupying a seat. Many commenters to the ANPRM noted that they have taken advantage of these infant fares.