# **Proposed Rules**

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

#### OFFICE OF PERSONNEL MANAGEMENT

### 5 CFR Part 591

#### RIN 3206-AL28

#### Nonforeign Area Cost-of-Living Allowance Rates; Puerto Rico and Hawaii County, HI

**AGENCY:** Office of Personnel Management. **ACTION:** Proposed rule.

SUMMARY: The Office of Personnel Management (OPM) is proposing to change the cost-of-living allowance (COLA) rates received by certain whitecollar Federal and U.S. Postal Service employees in Puerto Rico and Hawaii County, HI. The proposed rate changes are the result of interim adjustments OPM calculated based on relative Consumer Price Index differences between the cost-of-living allowance areas and the Washington, DC, area. OPM is also proposing an additional one-time adjustment to the Puerto Rico COLA rate based on the impact of the new sales tax in Puerto Rico. DATES: We will consider comments received on or before November 5, 2007. ADDRESSES: Send or deliver comments to Charles D. Grimes III, Deputy Associate Director for Performance Management and Pay Systems, Strategic Human Resources Policy Division, Office of Personnel Management, Room 7300B, 1900 E Street, NW., Washington, DC 20415-8200; fax: (202) 606-4264; or e-mail: COLA@opm.gov.

FOR FURTHER INFORMATION CONTACT: J. Stanley Austin, (202) 606–2838; fax: (202) 606–4264; or e-mail: *COLA@opm.gov*.

**SUPPLEMENTARY INFORMATION:** Section 5941 of title 5, United States Code, authorizes Federal agencies to pay cost-of-living allowances (COLAs) to white-collar Federal and U.S. Postal Service employees stationed in Alaska, Hawaii, Guam and the Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands (USVI). Executive Order 10000,

as amended, delegates to the Office of Personnel Management (OPM) the authority to administer nonforeign area COLAs and prescribes certain operational features of the program. OPM conducts living-cost surveys in each allowance area and in the Washington, DC, area to determine whether, and to what degree, COLA area living costs are higher than those in the DC area. OPM sets the COLA rate for each area based on the results of these surveys.

As required by section 591.223 of title 5, Code of Federal Regulations, OPM conducts COLA surveys once every 3 years on a rotating basis. For areas not surveyed during a particular year, OPM adjusts COLA rates by the relative change in the Consumer Price Index (CPI) for the COLA area compared with the Washington, DC, area. (See 5 CFR 591.224-591.226.) OPM adopted these regulations pursuant to the stipulation for settlement in *Caraballo et al.* v. United States, No. 1997–0027 (D.V.I.), August 17, 2000. Caraballo was a classaction lawsuit which resulted in many changes in the COLA methodology and regulations.

OPM computed interim adjustments based on the relative change in the CPI for the Pacific and Caribbean COLA areas. A separate notice on the calculation of these interim adjustments accompanies this proposed rule. The interim adjustments indicate that, except for Hawaii County and Puerto Rico, the COLA rates for the Pacific and Caribbean COLA areas are currently set at the appropriate levels. For Hawaii County, the adjustments indicate that the COLA rate should be increased from 17 percent to 18 percent. For Puerto Rico, the adjustments indicate the COLA rate should be increased from 10.5 percent to 11 percent. This increase in Puerto Rico supersedes the 1-percent reduction proposed by OPM on October 27, 2006, at 71 FR 63176, based on the 2005 survey results.

#### **Puerto Rico Sales Tax Adjustment**

On July 4, 2006, the Puerto Rico government enacted the Tax Justice Act of 2006 (Act No. 117, HB 2193), which established a new Commonwealth sales and use tax of 5.5 percent and authorized an additional municipal sales and use tax of up to 1.5 percent. To measure the impact of the new sales tax on living costs in Puerto Rico, we Federal Register Vol. 72, No. 172 Thursday, September 6, 2007

applied the sales tax to covered items priced in OPM's 2005 Puerto Rico COLA survey. (The law exempted many items from coverage; e.g., most grocery items, cars, rent, prescription drugs, many professional services, health insurance, and school tuition.) We then recalculated the Puerto Rico price index incorporating the sales tax. The index increased by 1.9 points to 112.94, which translates to a COLA rate of 13 percent. Therefore, to account for this additional cost to Federal employees in Puerto Rico, we are proposing to increase the Puerto Rico COLA rate to 13 percent.

#### Executive Order 12866, Regulatory Review

This rule has been reviewed by the Office of Management and Budget in accordance with Executive Order 12866.

#### **Regulatory Flexibility Act**

I certify that this regulation will not have a significant economic impact on a substantial number of small entities because the regulation will affect only Federal agencies and employees.

#### List of Subjects in 5 CFR Part 591

Government employees, Travel and transportation expenses, Wages.

Office Of Personnel Management.

#### Linda M. Springer,

Director.

Accordingly, OPM proposes to amend subpart B of 5 CFR part 591 as follows:

## PART 591—ALLOWANCES AND DIFFERENTIALS

#### Subpart B—Cost-of-Living Allowance and Post Differential—Nonforeign Areas

1. The authority citation for subpart B of 5 CFR part 591 continues to read as follows:

Authority: 5 U.S.C. 5941; E.O. 10000, 3 CFR, 1943–1948 Comp., p. 792; and E.O. 12510, 3 CFR, 1985 Comp., p. 338.

2. Revise appendix A of subpart B to read as follows:

#### Appendix A to Subpart B of Part 591— Places and Rates at Which Allowances Are Paid

This appendix lists the places approved for a cost-of-living allowance and shows the authorized allowance rate for each area. The allowance rate shown is paid as a percentage of an employee's rate of basic pay. The rates are subject to change based on the results of future surveys.

Geographic coverage	Allowance rate (percent)
State of Alaska:	
City of Anchorage and 80-kilometer (50-mile) radius by road	24
City of Fairbanks and 80-kilometer (50-mile) radius by road	24
City of Juneau and 80-kilometer (50-mile) radius by road	24
Rest of the State	25
State of Hawaii:	
City and County of Honolulu Hawaii County, Hawaii County of Kauai County of Maui and County of Kalawao Territory of Guam and Commonwealth of the Northern Mariana Islands	25
Hawaii County, Hawaii	18
County of Kauai	25
County of Maui and County of Kalawao	25
Territory of Guam and Commonwealth of the Northern Mariana Islands	25
Commonwealth of Puerto Rico	13
U.S. Virgin Islands	25

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#### DEPARTMENT OF TRANSPORTATION

**Federal Aviation Administration** 

#### 14 CFR Part 39

[Docket No. FAA-2007-29116; Directorate Identifier 2007-NM-064-AD]

### RIN 2120-AA64

#### Airworthiness Directives; Boeing Model 737–600, –700, –700C, –800, and –900 Series Airplanes

**AGENCY:** Federal Aviation Administration (FAA), Department of Transportation (DOT).

**ACTION:** Notice of proposed rulemaking (NPRM).

SUMMARY: The FAA proposes to adopt a new airworthiness directive (AD) for all Boeing Model 737-600, -700, -700C, –800, and –900 series airplanes. This proposed AD would require a one-time inspection to determine the material of the forward and aft gray water drain masts. For airplanes having composite gray water drain masts, this proposed AD would also require installation of a copper bonding jumper between a ground and the clamp on the tube of the forward and aft gray water composite drain masts. This proposed AD results from a report of charred insulation blankets and burned wires around the forward gray water composite drain mast found during an inspection of the forward cargo compartment on a Model 767–300F airplane. We are proposing this AD to prevent a fire near a composite drain mast and possible disruption of the electrical power system caused by a lightning strike on a composite drain mast, which could result in the loss of several functions essential for safe flight.

**DATES:** We must receive comments on this proposed AD by October 22, 2007. **ADDRESSES:** Use one of the following addresses 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.

• U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue, SE., Washington, DC 20590.

• Fax: (202) 493-2251.

• *Hand Delivery:* Room W12–140 on the ground floor of the West Building, 1200 New Jersey Avenue, SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Contact Boeing Commercial Airplanes, P.O. Box 3707, Seattle, Washington 98124–2207, for the service information identified in this proposed AD.

FOR FURTHER INFORMATION CONTACT: Marcia Smith, Aerospace Engineer, Cabin Safety and Environmental Systems Branch, ANM–150S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue, SW., Renton, Washington 98057–3356; telephone (425) 917–6484; fax (425) 917–6590. SUPPLEMENTARY INFORMATION:

#### SUPPLEMENTANT INFORMATIC

## **Comments Invited**

We invite you to submit any relevant written data, views, or arguments regarding this proposed AD. Send your comments to an address listed in the **ADDRESSES** section. Include the docket number "FAA–2007–29116; Directorate Identifier 2007–NM–064–AD" at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of the proposed AD. We will consider all comments received by the closing date and may amend the proposed AD in light of those 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 AD. Using the search function of that Web site, anyone can find and read the comments in 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.). You may review 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.

#### **Examining the Docket**

You may examine the AD docket on the Internet at *http://dms.dot.gov*, or in person at the Docket Operations office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The Docket Operations office (telephone (800) 647–5527) is located on the ground floor of the West Building at the DOT street address stated in the **ADDRESSES** section. Comments will be available in the AD docket shortly after the Docket Management System receives them.

#### Discussion

We have received a report indicating that, during an inspection of the forward cargo compartment on a Model 767– 300F airplane, an operator found charred insulation blankets and burned wires around the forward gray water composite drain mast. Additional charring on the insulation blankets was noticed several feet away along the routing of the drain mast's ground wire and power wires. Analysis of the