SBA is proposing to amend this definition to permit SBA to issue a bond guarantee for a contract that requires the Principal to pay the Obligee for the harvesting of timber. This action is being taken in response to concerns expressed by small businesses that have experienced difficulty obtaining the required bonds for public and private timber sale contracts. Discussions with representatives of the United States Forest Service confirm the need for increased bonding support for small businesses in this area, and it is estimated that approximately 150 small businesses would be eligible for bond guarantee assistance as a result of implementing this Proposed Rule. This change would apply to contracts involving forests managed by the Federal Government or other public or private landowners. SBA invites comments from public and private entities and individuals on how this proposed rule would affect them.

# II. Section-by-Section Analysis

Section 115.10. SBA is proposing to revise the definition of the term "Contract" to allow SBA to issue a performance bond guarantee for a contract that requires the Principal to pay the Obligee for the harvesting of timber on the land of the Obligee. The current definition excludes any contract that requires payment by the Obligee to the Principal. Because this kind of payment is inherent in timber sale contracts, the proposed change makes it clear that timber sale contracts are eligible for performance bond guarantees.

Compliance With Executive Orders 12866, 12988, and 13132, the Paperwork Reduction Act (44 U.S.C. Ch. 35), and the Regulatory Flexibility Act (5 U.S.C. 601–612)

# Executive Order 12866

The Office of Management and Budget (OMB) has determined that this rule does not constitute a significant regulatory action under Executive Order 12866. This rule is also not a major rule under the Congressional Review Act.

# Executive Order 12988

This action meets applicable standards set forth in Sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden. The action does not have retroactive or preemptive effect.

#### Executive Order 13132

For purposes of Executive Order 13132, SBA has determined that the rule 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, for the purpose of Executive Order 13132, Federalism, SBA has determined that this Proposed Rule has no federalism implications warranting preparation of a federalism assessment; however, SBA invites comments from the public on this issue.

Paperwork Reduction Act, 44 U.S.C., Ch. 35

SBA has determined that this Proposed Rule does not impose additional reporting or recordkeeping requirements under the Paperwork Reduction Act, 44 U.S.C., Chapter 35.

Regulatory Flexibility Act, 5 U.S.C. 601–612

The Regulatory Flexibility Act (RFA), 5 U.S.C. 601, requires administrative agencies to consider the effect of their actions on small entities, small nonprofit enterprises, and small local governments. Pursuant to RFA, when an agency issues a rulemaking, the agency must prepare a regulatory flexibility analysis which describes the impact of this rule on small entities. However, section 605 of the RFA allows an agency to certify a rule, in lieu of preparing an analysis, if the rulemaking is not expected to have a significant economic impact on a substantial number of small entities. Within the meaning of RFA, SBA certifies that this rule will not have a significant economic impact on a substantial number of small entities. It is estimated that approximately 150 small businesses would now be eligible for bond guarantee assistance from SBA as a result of implementing this Proposed Rule. Additionally, there are 17 Sureties that participate in the SBG Program, and no part of this Proposed Rule would impose any significant additional cost or burden on them.

### List of Subjects in 13 CFR Part 115

Claims, Small businesses, Surety bonds.

For the reasons stated in the preamble, SBA proposes to amend 13 CFR part 115 as follows:

# PART 115—SURETY BOND GUARANTEE

1. The authority citation for part 115 continues to read as follows:

**Authority:** 5 U.S.C. app. 3, 15 U.S.C. 687b, 687c, 694b, 694b note, Pub. L. 106–554; and Pub. L. 108–447, Div. K, Sec. 203.

2. Amend § 115.10 by revising the third sentence of the definition "Contract" to read as follows:

#### §115.10 Definitions.

\* \* \* \* \*

Contract \* \* \* A Contract does not include a permit, subdivision contract, lease, land contract, evidence of debt, financial guarantee (e.g., a contract requiring any payment by the Principal to the Obligee, except for contracts for the sale of timber that require the Principal to pay the Obligee), warranty of performance or efficiency, warranty of fidelity, or release of lien (other than for claims under a guaranteed bond).

Dated: October 8, 2010.

Karen G. Mills,

Administrator.

[FR Doc. 2010-25999 Filed 10-14-10; 8:45 am]

BILLING CODE 8025-01-P

#### DEPARTMENT OF TRANSPORTATION

#### **Federal Aviation Administration**

#### 14 CFR Part 39

[Docket No. FAA-2010-0959; Directorate Identifier 2010-NM-119-AD]

RIN 2120-AA64

# Airworthiness Directives; Bombardier, Inc. Model BD-700-1A10 and BD-700-1A11 Airplanes

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

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

**SUMMARY:** We propose to adopt a new airworthiness directive (AD) for the products listed above. This proposed AD results from mandatory continuing airworthiness information (MCAI) originated by an aviation authority of another country to identify and correct an unsafe condition on an aviation product. The MCAI describes the unsafe condition as:

There have been two in-service reports of main landing gear (MLG) tire failure on landing, during which a flailing tire tread caused damage to No. 2 and No. 3 hydraulic system lines in the wing auxiliary spar area on the left side of the aircraft. This damage resulted in the loss of supply pressure to the inboard and outboard brakes, as the only remaining braking source available was the No. 3 hydraulic system accumulator. The degradation of the brake system performance could adversely affect the aircraft during landing.

\* \* \* \* \*

The unsafe condition is loss of braking capability, which could reduce the ability of the flightcrew to safely land the airplane. The proposed AD would require actions that are intended to address the unsafe condition described in the MCAI.

**DATES:** We must receive comments on this proposed AD by November 29, 2010.

**ADDRESSES:** You may send comments by any of the following methods:

- Federal eRulemaking Portal: Go to http://www.regulations.gov. Follow the instructions for submitting comments.
  - Fax: (202) 493-2251.
- Mail: U.S. Department of Transportation, Docket Operations, M– 30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue, SE., Washington, DC 20590.
- Hand Delivery: U.S. Department of Transportation, Docket Operations, M— 30, West Building Ground Floor, Room W12–40, 1200 New Jersey Avenue, SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this proposed AD, contact Bombardier, Inc., 400 Côte-Vertu Road West, Dorval, Québec H4S 1Y9, Canada; telephone 514–855–5000; fax 514–855–7401; e-mail thd.crj@aero.bombardier.com; Internet http://www.bombardier.com. You may review copies of the referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington. For information on the availability of this material at the FAA, call 425–227–1221.

# **Examining the AD Docket**

You may examine the AD docket on the Internet at http://www.regulations.gov; or in person at the Docket Operations office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this proposed AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone (800) 647–5527) is in the ADDRESSES section. Comments will be available in the AD docket shortly after receipt.

### FOR FURTHER INFORMATION CONTACT:

Christopher Alfano, Aerospace Engineer, Airframe and Mechanical Systems Branch, ANE–171, FAA, New York Aircraft Certification Office, 1600 Stewart Avenue, Suite 410, Westbury, New York 11590; telephone (516) 228– 7340; fax (516) 794–5531.

### SUPPLEMENTARY INFORMATION:

#### **Comments Invited**

We invite you to send any written relevant data, views, or arguments about this proposed AD. Send your comments to an address listed under the ADDRESSES section. Include "Docket No. FAA-2010-0959; Directorate Identifier 2010-NM-119-AD" at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this proposed AD. We will consider all comments received by the closing date and may amend this proposed AD based on those comments.

We will post all comments we receive, without change, to http://www.regulations.gov, including any personal information you provide. We will also post a report summarizing each substantive verbal contact we receive about this proposed AD.

#### Discussion

Transport Canada Civil Aviation (TCCA), which is the aviation authority for Canada, has issued Canadian Airworthiness Directive CF–2010–10, dated March 26, 2010 (referred to after this as "the MCAI"), to correct an unsafe condition for the specified products. The MCAI states:

There have been two in-service reports of main landing gear (MLG) tire failure on landing, during which a flailing tire tread caused damage to No. 2 and No. 3 hydraulic system lines in the wing auxiliary spar area on the left side of the aircraft. This damage resulted in the loss of supply pressure to the inboard and outboard brakes, as the only remaining braking source available was the No. 3 hydraulic system accumulator. The degradation of the brake system performance could adversely affect the aircraft during landing.

This directive mandates the relocation of the No. 2 and No. 3 hydraulic system lines in the wing auxiliary spar area on the left side of the aircraft, together with a modification to the left wing rib and debris shield, in order to prevent damage to the hydraulic lines in the event of a MLG tire failure. The debris shield on the right side is also modified for part commonality.

The unsafe condition is loss of braking capability, which could reduce the ability of the flightcrew to safely land the airplane. You may obtain further information by examining the MCAI in the AD docket.

# **Relevant Service Information**

Bombardier, Inc. has issued Service Bulletins 700–29–021 and 700–1A11–29–004, both Revision 01, both dated January 25, 2010. The actions described in this service information are intended to correct the unsafe condition identified in the MCAI.

# FAA's Determination and Requirements of This Proposed AD

This product has been approved by the aviation authority of another country, and is approved for operation in the United States. Pursuant to our bilateral agreement with the State of Design Authority, we have been notified of the unsafe condition described in the MCAI and service information referenced above. We are proposing this AD because we evaluated all pertinent information and determined an unsafe condition exists and is likely to exist or develop on other products of the same type design.

# Differences Between This AD and the MCAI or Service Information

We have reviewed the MCAI and related service information and, in general, agree with their substance. But we might have found it necessary to use different words from those in the MCAI to ensure the AD is clear for U.S. operators and is enforceable. In making these changes, we do not intend to differ substantively from the information provided in the MCAI and related service information.

We might also have proposed different actions in this AD from those in the MCAI in order to follow FAA policies. Any such differences are highlighted in a NOTE within the proposed AD.

#### **Costs of Compliance**

Based on the service information, we estimate that this proposed AD would affect about 115 products of U.S. registry. We also estimate that it would take about 40 work-hours per product to comply with the basic requirements of this proposed AD. The average labor rate is \$85 per work-hour. Required parts would cost about \$4,855 per product. Where the service information lists required parts costs that are covered under warranty, we have assumed that there will be no charge for these costs. As we do not control warranty coverage for affected parties, some parties may incur costs higher than estimated here. Based on these figures, we estimate the cost of the proposed AD on U.S. operators to be \$949,325, or \$8,255 per product.

# **Authority for This Rulemaking**

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 rulemaking action.

# **Regulatory Findings**

We 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.

For the reasons discussed above, I certify 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. 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 regulatory evaluation of the estimated costs to comply with this proposed AD and placed it in the AD docket.

# List of Subjects in 14 CFR Part 39

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

# The Proposed Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA 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 AD:

Bombardier, Inc.: Docket No. FAA–2010– 0959; Directorate Identifier 2010–NM– 119–AD.

#### **Comments Due Date**

(a) We must receive comments by November 29, 2010.

#### Affected ADs

(b) None.

#### Applicability

(c) This AD applies to Bombardier, Inc. Model BD-700-1A10 and BD-700-1A11 airplanes, serial numbers 9002 through 9401 inclusive, certificated in any category.

#### Subject

(d) Air Transport Association (ATA) of America Code 29: Hydraulic power.

#### Reason

(e) The mandatory continuing airworthiness information (MCAI) states:

There have been two in-service reports of main landing gear (MLG) tire failure on landing, during which a flailing tire tread caused damage to No. 2 and No. 3 hydraulic system lines in the wing auxiliary spar area on the left side of the aircraft. This damage resulted in the loss of supply pressure to the inboard and outboard brakes, as the only remaining braking source available was the No. 3 hydraulic system accumulator. The degradation of the brake system performance could adversely affect the aircraft during landing.

The unsafe condition is loss of braking capability, which could reduce the ability of the flightcrew to safely land the airplane.

#### Compliance

(f) You are responsible for having the actions required by this AD performed within the compliance times specified, unless the actions have already been done.

#### Actions

(g) Within 30 months after the effective date of this AD, relocate the No. 2 and No. 3 hydraulic system lines in the wing auxiliary spar area on the left side of the aircraft, and modify the left wing rib and left and right debris shields, in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 700–29–021 (for Model BD–700–1A10 airplanes) or 700–1A11 airplanes), both Revision 01, both dated January 25, 2010, as applicable.

#### Credit for Actions Accomplished in Accordance With Previous Service Information

(h) Actions accomplished before the effective date of this AD in accordance with Bombardier Service Bulletin 700–29–021 or 700–1A11–29–004, both dated April 3, 2009, as applicable, are considered acceptable for compliance with the corresponding actions specified in this AD.

# **FAA AD Differences**

**Note 1:** This AD differs from the MCAI and/or service information as follows: No differences.

#### Other FAA AD Provisions

(i) The following provisions also apply to this AD:

(1) Alternative Methods of Compliance (AMOCs): The Manager, New York Aircraft Certification Office (ACO), ANE-170, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. Send information to ATTN: Program Manager, Continuing Operational Safety, FAA, New York ACO, 1600 Stewart Avenue, Suite 410, Westbury, New York, 11590; telephone 516-228-7300; fax 516-794-5531. Before using any approved AMOC on any airplane to which the AMOC applies, notify your principal maintenance inspector (PMI) or principal avionics inspector (PAI), as appropriate, or lacking a principal inspector, your local Flight Standards District Office. The AMOC approval letter must specifically reference this AD.

(2) Airworthy Product: For any requirement in this AD to obtain corrective actions from a manufacturer or other source, use these actions if they are FAA-approved. Corrective actions are considered FAA-approved if they are approved by the State of Design Authority (or their delegated agent). You are required to assure the product is airworthy before it is returned to service.

(3) Reporting Requirements: For any reporting requirement in this AD, under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 et seq.), the Office of Management and Budget (OMB) has approved the information collection requirements and has assigned OMB Control Number 2120–0056.

#### **Related Information**

(j) Refer to MCAI Canadian Airworthiness Directive CF-2010-10, dated March 26, 2010; and Bombardier Service Bulletins 700-29-021 and 700-1A11-29-004, both Revision 01, both dated January 25, 2010; for related information.

Issued in Renton, Washington, on October 6, 2010.

#### Ali Bahrami.

Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2010–25921 Filed 10–14–10; 8:45 am]

BILLING CODE 4910-13-P

### **DEPARTMENT OF TRANSPORTATION**

# **Federal Aviation Administration**

### 14 CFR Part 39

[Docket No. FAA-2010-1023; Directorate Identifier 2010-CE-055-AD]

RIN 2120-AA64

# Airworthiness Directives; Embraer— Empresa Brasileira de Aeronautica S A Model EMB-500 Airplanes

S.A. Model EMB-500 Airplanes

AGENCY: Federal Aviation

Administration (FAA), Department of Transportation (DOT).

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

**SUMMARY:** We propose to adopt a new airworthiness directive (AD) for the