

that is not passive. For the purpose of this paragraph (b)(2), “subsidiary company” means a company in which the financed passive business either:

- (i) Directly owns, or will own as a result of the Financing, at least 50 percent of the outstanding voting securities; or
- (ii) Indirectly owns, or will own as a result of the Financing, at least 50 percent of the outstanding voting securities (by directly owning the outstanding voting securities of another passive Small Business that is the direct owner of the outstanding voting securities of the subsidiary company).

(3) *Exception for certain Partnership Licensees.* If you are a Partnership Licensee, you may form one or more blocker entities in accordance with this paragraph (b)(3). For the purposes of this paragraph, a “blocker entity” means a corporation or a limited liability company that elects to be taxed as a corporation for Federal income tax purposes. The sole purpose of a blocker entity must be to provide Financing to one or more eligible, unincorporated Small Businesses. You may form such blocker entities only if a direct Financing to such Small Businesses would cause any of your investors to incur “unrelated business taxable income” under section 511 of the Internal Revenue Code (26 U.S.C. 511) or to incur “effectively connected income” to foreign investors under sections 871 and 882 of the Internal Revenue Code (26 U.S.C. 871 and 882). Your ownership and investment of funds in such blocker entities will not constitute a violation of § 107.730(a). For each passive business financed under this section 107.720(b)(3), you must provide a certification to SBA as required under § 107.610(g). A blocker entity formed under this paragraph may provide Financing:

- (i) Directly to one or more eligible non-passive Small Businesses; or
- (ii) Directly to a passive Small Business that passes substantially all the proceeds directly to (or uses substantially all the proceeds to acquire) one or more eligible non-passive Small Businesses in which the passive Small Business directly owns, or will own as a result of the Financing, at least 50% of the outstanding voting securities.

(4) *Additional conditions for permitted passive business financings.* Financings permitted under paragraphs (b)(2) or (3) of this section must meet all of the following conditions:

- (i) For the purposes of this paragraph (b), “substantially all” means at least 99 percent of the Financing proceeds after deduction of actual application fees, closing fees, and expense

reimbursements, which may not exceed those permitted by § 107.860.

- (ii) If you and/or your Associate charge fees permitted by § 107.860 and/or § 107.900, the total amount of such fees charged to all passive and non-passive businesses that are part of the same Financing may not exceed the fees that would have been permitted if the Financing had been provided directly to a non-passive Small Business. Any such fees received by your Associate must be paid to you in cash within 30 days of the receipt of such fees.

- (iii) For the purposes of this part 107, each passive and non-passive business included in the Financing is a Portfolio Concern. The terms of the financing must provide SBA with access to Portfolio Concern information in compliance with this part 107, including without limitation §§ 107.600 and 107.620.

\* \* \* \* \*

#### § 107.1100 [Amended]

- 8. Amend § 107.1100 by removing the term “Yu” in the second to the last sentence of paragraph (b) and adding in its place “You”, and by removing paragraph (c).

#### § 107.1150 [Amended]

- 9. Amend § 107.1150 by removing the term “\$225 million” in the first sentence of paragraph (b) and adding in its place “\$350 million”.

Dated: August 10, 2017.

Linda E. McMahon,  
Administrator.

[FR Doc. 2017-17456 Filed 8-17-17; 8:45 am]

BILLING CODE 8025-01-P

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2017-0699; Directorate Identifier 2017-NM-004-AD; Amendment 39-18968; AD 2017-15-08]

RIN 2120-AA64

#### Airworthiness Directives; Bombardier, Inc., Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; request for comments.

**SUMMARY:** We are adopting a new airworthiness directive (AD) for certain Bombardier, Inc., Model CL-600-2E25 (Regional Jet Series 1000) airplanes. This AD requires modifying the bleed-

air duct and detection system; and revising the maintenance or inspection program, as applicable. This AD was prompted by a report of a possibility that the shrouds of the high pressure bleed air ducts could deteriorate and their maximum permitted leakage rate could be exceeded. We are issuing this AD to address the unsafe condition on these products.

**DATES:** This AD becomes effective September 5, 2017.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD as of September 5, 2017.

We must receive comments on this AD by October 2, 2017.

**ADDRESSES:** You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, 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 W12-140, 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 final rule, contact Bombardier, Inc., 400 Côte-Vertu Road West, Dorval, Québec H4S 1Y9, Canada; Widebody Customer Response Center North America toll-free telephone 1-866-538-1247 or direct-dial telephone 1-514-855-2999; fax 514-855-7401; email [ac.yul@aero.bombardier.com](mailto:ac.yul@aero.bombardier.com); Internet <http://www.bombardier.com>. You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425-227-1221. It is also available on the Internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2017-0699.

#### Examining the AD Docket

You may examine the AD docket on the Internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2017-0699; 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 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:**

Joseph Catanzaro, Aerospace Engineer, Propulsion and Services Branch, ANE-173, FAA, New York Aircraft Certification Office (ACO), 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516-228-7366; fax 516-794-5531.

**SUPPLEMENTARY INFORMATION:**

**Discussion**

Transport Canada Civil Aviation (TCCA), which is the aviation authority for Canada, has issued Canadian Airworthiness Directive CF-2016-35, dated November 16, 2016 (referred to after this as the Mandatory Continuing Airworthiness Information, or “the MCAI”), to correct an unsafe condition for certain Bombardier, Inc., Model CL-600-2E25 (Regional Jet Series 1000) airplanes. The MCAI states:

It is possible for the shrouds of the High Pressure (HP) bleed air ducts located in the main wheel wells and overwing areas to deteriorate and consequently, their maximum permitted leakage rate could be exceeded. If a significant bleed air leak is not sensed by the detection system, hot air impingement may cause damage to the adjacent structure and system components or create a fire hazard.

This [Canadian] AD is issued to mandate a modification of the bleed-air duct and detection system, as well as a revision of the Airworthiness Limitation tasks to correspond with this modification.

You may examine the MCAI on the Internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2017-0699.

**Related Service Information Under 1 CFR Part 51**

Bombardier, Inc. has issued Bombardier Service Bulletin 670BA-36-022, Revision B, dated December 20, 2016. The service information describes modifying the bleed-air duct and detection system.

Bombardier, Inc. has issued the following service information.

- Bombardier CRJ Series Regional Jet Airworthiness Limitations Temporary Revision ALI-0553, dated August 19, 2016, which describes an airworthiness limitation task for a detailed inspection of the protection jackets (shields) and insulating blankets located on top of the center wing and fuel tank and fuel vent lines for condition and security.

- Bombardier CRJ Series Regional Jet Airworthiness Limitations Temporary

Revision ALI-0554, dated August 19, 2016, which describes an airworthiness limitation task for a functional check of the bleed air duct shrouds.

- Bombardier CRJ Series Regional Jet Airworthiness Limitations Temporary Revision ALI-0555, dated August 19, 2016, which describes an airworthiness limitation task for a detailed inspection of the bleed air duct coupling covers and detection manifolds.

- Bombardier CRJ Series Regional Jet Airworthiness Limitations Temporary Revision ALI-0556, dated August 19, 2016, which describes an airworthiness limitation task for a detailed inspection of the overwing shield and the protection jackets for condition and security.

- Bombardier CRJ Series Regional Jet Airworthiness Limitations Temporary Revision ALI-0557, dated August 19, 2016, which describes an airworthiness limitation task for a detailed inspection of the vent boot protection jackets for condition and security.

This service information is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section.

**FAA's Determination and Requirements of This 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 issuing this AD because we evaluated all pertinent information and determined the unsafe condition exists and is likely to exist or develop on other products of the same type design.

This AD requires revisions to certain operator maintenance documents to include new actions (e.g., inspections). Compliance with these actions is required by 14 CFR 91.403(c). For airplanes that have been previously modified, altered, or repaired in the areas addressed by this AD, the operator may not be able to accomplish the actions described in the revisions. In this situation, to comply with 14 CFR 91.403(c), the operator must request approval for an alternative method of compliance according to paragraph (k)(1) of this AD. The request should include a description of changes to the required inspections that will ensure the continued operational safety of the airplane.

**FAA's Determination of the Effective Date**

Since there are currently no domestic operators of this product, notice and opportunity for public comment before issuing this AD are unnecessary.

**Comments Invited**

This AD is a final rule that involves requirements affecting flight safety, and we did not precede it by notice and opportunity for public comment. We invite you to send any written relevant data, views, or arguments about this AD. Send your comments to an address listed under the **ADDRESSES** section. Include “Docket No. FAA-2017-0699; Directorate Identifier 2017-NM-004-AD” at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this AD. We will consider all comments received by the closing date and may amend this 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 AD.

**Costs of Compliance**

We estimate that this AD affects 0 airplanes of U.S. registry.

We also estimate that it will take about 91 work-hours per product to comply with the basic requirements of this AD. The average labor rate is \$85 per work-hour. Required parts cost are not available. Based on these figures, we estimate the cost of this AD on U.S. operators to be \$0, or \$7,735 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 AD will not have federalism implications under Executive Order 13132. This AD will 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 that this 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);
3. Will not affect intrastate aviation in Alaska; and
4. 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.

### List of Subjects in 14 CFR Part 39

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

### Adoption of the Amendment

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

**2017–15–08 Bombardier, Inc.:** Amendment 39–18968; Docket No. FAA–2017–0699; Directorate Identifier 2017–NM–004–AD.

#### (a) Effective Date

This AD becomes effective September 5, 2017.

#### (b) Affected ADs

None.

#### (c) Applicability

This AD applies to Bombardier, Inc., Model CL–600–2E25 (Regional Jet Series 1000) airplanes, certificated in any category, serial numbers 19001 through 19048 inclusive.

#### (d) Subject

Air Transport Association (ATA) of America Code 36, Pneumatic.

#### (e) Reason

This AD was prompted by a report of a possibility that the shrouds of the high pressure bleed air ducts could deteriorate and their maximum permitted leakage rate could be exceeded. We are issuing this AD to prevent a bleed air leak from exceeding the maximum permitted leakage rate, which if not sensed by the detection system, could cause hot air impingement to damage the adjacent structure and system components or create a fire hazard.

#### (f) Compliance

Comply with this AD within the compliance times specified, unless already done.

#### (g) Modification

At the earlier of the times specified in paragraphs (g)(1) and (g)(2) of this AD: Modify the bleed-air duct and detection system, in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 670BA–36–022, Revision B, dated December 20, 2016.

(1) Within 6,600 flight hours or 32 months, whichever occurs first after the effective date of this AD.

(2) Within the next 10,000-flight-hours scheduled maintenance check after the effective date of this AD.

#### (h) Maintenance or Inspection Program Revision

Within 30 days after the effective date of this AD: Revise the maintenance or inspection program, as applicable, by incorporating the service information specified in figure 1 to paragraph (h) of this AD. The initial compliance time for tasks 28–12–00–601 and 28–12–00–602 is at the later of the applicable times specified in the service information specified in figure 1 to paragraph (h) of this AD, or within 30 days after the effective date of this AD, whichever occurs later. The initial compliance times for tasks 25–85–00–101, 36–20–00–101, and 36–20–00–102 are specified in Figure 2 to paragraph (h) of this AD. When these temporary revisions (TRs) have been included in general revisions of the maintenance requirement manual (MRM), the general revisions may be inserted in the MRM, provided the relevant information in the general revision is identical to the TRs specified in figure 1 to paragraph (h) of this AD.

FIGURE 1 TO PARAGRAPH (h) OF THIS AD—TEMPORARY REVISIONS MAINTENANCE REQUIREMENTS

Temporary revision	Task No.	Maintenance requirements manual (MRM) part 2 section	Revision date
ALI–0553 .....	25–85–00–101	1–25	August 19, 2016.
ALI–0554 .....	36–20–00–101	1–36	August 19, 2016.
ALI–0555 .....	36–20–00–102	1–36	August 19, 2016.
ALI–0556 .....	28–12–00–601	4–28	August 19, 2016.
ALI–0557 .....	28–12–00–602	4–28	August 19, 2016.

FIGURE 2 TO PARAGRAPH (h) OF THIS AD—INITIAL COMPLIANCE TIMES

Task No.	Initial compliance time (whichever occurs later)	
25–85–00–101 .....	Before the accumulation of 8,000 total flight hours .....	Within 30 days after the effective date of this AD.
36–20–00–101 .....	Before the accumulation of 10,000 total flight hours .....	Within 30 days after the effective date of this AD.
36–20–00–102 .....	Before the accumulation of 10,000 total flight hours .....	Within 30 days after the effective date of this AD.

#### (i) No Alternative Actions or Intervals

After the maintenance or inspection program has been revised, as required by paragraph (h) of this AD, no alternative actions (e.g., inspections) or intervals may be

used unless the actions or intervals are approved as an alternative method of compliance (AMOC) in accordance with the procedures specified in paragraph (k)(1) of this AD.

#### (j) Credit for Previous Actions

This paragraph provides credit for actions required by paragraph (g) of this AD, if those actions were performed before the effective date of this AD using Bombardier Service

Bulletin 670BA-36-022, dated May 30, 2016; or Bombardier Service Bulletin 670BA-36-022, Revision A, dated September 16, 2016.

#### (k) Other FAA AD Provisions

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. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the ACO, send it to ATTN: Program Manager, Continuing Operational Safety, FAA, New York ACO, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516-228-7300; fax 516-794-5531. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(2) *Contacting the Manufacturer*: For any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the Manager, New York ACO, ANE-170, FAA; or Transport Canada Civil Aviation (TCCA); or Bombardier, Inc.'s TCCA Design Approval Organization (DAO). If approved by the DAO, the approval must include the DAO-authorized signature.

#### (l) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) Canadian Airworthiness Directive CF-2016-35, dated November 16, 2016, for related information. You may examine the MCAI on the Internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2017-0699.

(2) For more information about this AD, contact Joseph Catanzaro, Aerospace Engineer, Propulsion and Services Branch, ANE-173, FAA, New York ACO, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516-228-7366; fax 516-794-5531.

(3) Service information identified in this AD that is not incorporated by reference is available at the addresses specified in paragraphs (m)(3) and (m)(4) of this AD.

#### (m) Material Incorporated by Reference

(1) The Director of the Federal Register approved the incorporation by reference (IBR) of the service information listed in this paragraph under 5 U.S.C. 552(a) and 1 CFR part 51.

(2) You must use this service information as applicable to do the actions required by this AD, unless this AD specifies otherwise.

(i) Bombardier Service Bulletin 670BA-36-022, Revision B, dated December 20, 2016.

(ii) Bombardier CRJ Series Regional Jet Airworthiness Limitations Temporary Revision ALI-0553, dated August 19, 2016.

(iii) Bombardier CRJ Series Regional Jet Airworthiness Limitations Temporary Revision ALI-0554, dated August 19, 2016.

(iv) Bombardier CRJ Series Regional Jet Airworthiness Limitations Temporary Revision ALI-0555, dated August 19, 2016.

(v) Bombardier CRJ Series Regional Jet Airworthiness Limitations Temporary Revision ALI-0556, dated August 19, 2016.

(vi) Bombardier CRJ Series Regional Jet Airworthiness Limitations Temporary Revision ALI-0557, dated August 19, 2016.

(3) For service information identified in this AD, contact Bombardier, Inc., 400 Côte-Vertu Road West, Dorval, Québec H4S 1Y9, Canada; Widebody Customer Response Center North America toll-free telephone 1-866-538-1247 or direct-dial telephone 1-514-855-2999; fax 514-855-7401; email [ac.yul@aero.bombardier.com](mailto:ac.yul@aero.bombardier.com); Internet <http://www.bombardier.com>.

(4) You may view this service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425-227-1221.

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: <http://www.archives.gov/federal-register/cfr/ibr-locations.html>.

Issued in Renton, Washington, on July 13, 2017.

**Dionne Palermo,**

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 2017-15484 Filed 8-17-17; 8:45 am]

**BILLING CODE 4910-13-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2016-9112; Product Identifier 2016-NM-091-AD; Amendment 39-18982; AD 2017-16-05]

**RIN 2120-AA64**

#### Airworthiness Directives; The Boeing Company Airplanes

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

**ACTION:** Final rule.

**SUMMARY:** We are adopting a new airworthiness directive (AD) for certain The Boeing Company Model 737-600, -700, -700C, -800, -900, and -900ER series airplanes. This AD was prompted by a report of a Krueger flap bullnose departing an airplane during taxi, which caused damage to the wing structure and thrust reverser. This AD requires a one-time detailed visual inspection for discrepancies in the Krueger flap bullnose attachment hardware, and related investigative and corrective actions, if necessary. We are issuing this

AD to address the unsafe condition on these products.

**DATES:** This AD is effective September 22, 2017.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of September 22, 2017.

**ADDRESSES:** For service information identified in this final rule, contact Boeing Commercial Airplanes, Attention: Contractual & Data Services (C&DS), 2600 Westminister Blvd., MC 110-SK57, Seal Beach, CA 90740-5600; telephone 562-797-1717; Internet <https://www.myboeingfleet.com>. You may view this referenced service information at the FAA, Transport Standards Staff, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425-227-1221. It is also available on the Internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2016-9112.

#### Examining the AD Docket

You may examine the AD docket on the Internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2016-9112; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The address for the Docket Office (phone: 800-647-5527) is Docket Management Facility, U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE., Washington, DC 20590.

#### FOR FURTHER INFORMATION CONTACT:

Alan Pohl, Aerospace Engineer, Airframe Section, FAA, Seattle Aircraft Certification Office (ACO) Branch, 1601 Lind Avenue SW., Renton, WA 98057-3356; phone: 425-917-6450; fax: 425-917-6590; email: [alan.pohl@faa.gov](mailto:alan.pohl@faa.gov).

#### SUPPLEMENTARY INFORMATION:

#### Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 by adding an AD that would apply to certain The Boeing Company Model 737-600, -700, -700C, -800, -900, and -900ER series airplanes. The NPRM published in the **Federal Register** on September 29, 2016 (81 FR 66874) ("the NPRM"). The NPRM was prompted by a report of a Krueger flap bullnose departing an airplane during taxi, which caused damage to the wing