

DEPARTMENT OF TRANSPORTATION**Federal Aviation Administration****14 CFR Part 39**

[Docket No. FAA-2019-0959; Product Identifier 2019-CE-051-AD; Amendment 39-19804; AD 2019-23-10]

RIN 2120-AA64

Airworthiness Directives; Textron Aviation Inc. (Type Certificate Previously Held by Beechcraft Corporation) Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; request for comments.

SUMMARY: The FAA is superseding Airworthiness Directive (AD) 2019-21-08 for Textron Aviation Inc. (Textron) Models E33, E33A, E33C, F33, G33, 35-C33, 35-C33A, K35, M35, N35, P35, S35, V35, V35A, 36, and certain Models F33A, F33C, V35B, and A36 airplanes. AD 2019-21-08 required inspecting the right aileron flight control cable end fittings (terminal attachment fittings) and replacing any damaged cable assembly. This AD retains all of the actions of AD 2019-21-08 but removes Models K35, M35, N35, and P35 from the applicability. This AD was prompted by a comment the FAA received that AD 2019-21-08 should not apply to Models K35, M35, N35, and P35 airplanes. The FAA is issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective November 22, 2019.

The FAA must receive any comments on this AD by January 9, 2020.

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 <https://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 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Examining the AD Docket

You may examine the AD docket on the internet at <https://www.regulations.gov> by searching for and locating Docket No. FAA-2019-0959; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this final rule, the regulatory evaluation, any comments received, and other information. The street address for Docket Operations is listed above. Comments will be available in the AD docket shortly after receipt.

FOR FURTHER INFORMATION CONTACT:

Alan Levanduski, Aerospace Engineer, Wichita ACO Branch, FAA, 1801 Airport Road, Room 100, Wichita, Kansas 67209; phone: (316) 946-4161; fax: (316) 946-4107; email: alan.levanduski@faa.gov.

SUPPLEMENTARY INFORMATION:**Discussion**

The FAA issued AD 2019-21-08, Amendment 39-19774 (84 FR 59926, November 7, 2019), (“AD 2019-21-08”), for Textron Aviation Inc. (Textron) Models E33, E33A, E33C, F33, G33, 35-C33, 35-C33A, K35, M35, N35, P35, S35, V35, V35A, 36, and certain Models F33A, F33C, V35B, and A36 airplanes. AD 2019-21-08 required inspecting the right aileron flight control cable end fittings (terminal attachment fittings) and replacing any damaged cable assembly. AD 2019-21-08 resulted from reports of cracked and fractured right aileron flight control cable end fittings. The FAA issued AD 2019-21-08 to prevent failure of the right aileron flight control cable assembly, un-commanded right roll of the airplane, and loss of roll control in the left direction, which may lead to loss of control of the airplane.

Actions Since AD 2019-21-08 Was Issued

Since the FAA issued AD 2019-21-08, the FAA received a comment that AD 2019-21-08 should not apply to Models K35, M35, N35, and P35 airplanes. Textron verified those airplane models have a different configuration with the heating duct in a different location. The FAA has determined to supersede AD 2019-21-08 with this AD that retains all of the required actions from AD 2019-21-08 but removes airplane Models K35, M35, N35, and P35 from the applicability.

FAA’s Determination

The FAA is issuing this AD because it evaluated all the relevant information and determined the unsafe condition

described previously is likely to exist or develop in other products of the same type design.

AD Requirements

This AD requires inspecting the right aileron flight control cable end fittings that thread into the turnbuckle for corrosion, pitting, and cracks and replacing any damaged cable assembly.

FAA’s Justification and Determination of the Effective Date

An unsafe condition exists that requires the immediate adoption of this AD without providing an opportunity for public comments prior to adoption. The FAA has found that the risk to the flying public justifies waiving notice and comment prior to adoption of this rule because the quantity of recent reports of failure of the right aileron flight control cable end fittings necessitates that the corrective actions be accomplished within 30 days. Therefore, the FAA finds good cause that notice and opportunity for prior public comment are impracticable. In addition, for the reasons stated above, the FAA finds that good cause exists for making this amendment effective in less than 30 days.

Comments Invited

This AD is a final rule that involves requirements affecting flight safety, and the FAA did not provide you with notice and an opportunity to provide your comments before it becomes effective. However, the FAA invites you to send any written data, views, or arguments about this final rule. Send your comments to an address listed under the **ADDRESSES** section. Include the Docket Number FAA-2019-0959 and Product Identifier 2019-CE-051-AD at the beginning of your comments. The FAA specifically invites comments on the overall regulatory, economic, environmental, and energy aspects of this final rule. The FAA will consider all comments received by the closing date and may amend this final rule because of those comments.

The FAA will post all comments it receives, without change, to <https://www.regulations.gov>, including any personal information you provide. The FAA will also post a report summarizing each substantive verbal contact it receives about this final rule.

Costs of Compliance

The FAA estimates that this AD affects 3,161 airplanes of U.S. registry.

The FAA estimates the following costs to comply with this AD:

ESTIMATED COSTS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Inspection of the right aileron cable end fittings.	5 work-hours × \$85 per hour = \$425	Not applicable	\$425	\$1,343,425

The FAA estimates the following costs to do any necessary replacement that would be required based on the

results of the inspection. The FAA has no way of determining the number of

airplanes that might need this replacement:

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Replacement of a forward aileron cable assembly	6 work-hours × \$85 per hour = \$510		\$1,123
Replacement of an aft aileron cable assembly	4 work-hours × \$85 per hour = \$340		785

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.

The FAA is 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.

This AD is issued in accordance with authority delegated by the Executive Director, Aircraft Certification Service, as authorized by FAA Order 8000.51C. In accordance with that order, issuance of ADs is normally a function of the Compliance and Airworthiness Division, but during this transition period, the Executive Director has delegated the authority to issue ADs applicable to small airplanes, gliders, balloons, airships, domestic business jet transport airplanes, and associated appliances to the Director of the Policy and Innovation Division.

Regulatory Flexibility Act

The requirements of the Regulatory Flexibility Act (RFA) do not apply when an agency finds good cause pursuant to 5 U.S.C. 553 to adopt a rule without prior notice and comment. Because FAA has determined that it has good cause to

adopt this rule without notice and comment, RFA analysis is not required.

Regulatory Findings

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, and
- (2) Will not affect intrastate aviation in Alaska.

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 part 39 of the Federal Aviation Regulations (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 removing Airworthiness Directive (AD) 2019–21–08, Amendment 39–19774 (84 FR 59926, November 7, 2019) and adding the following new AD:

2019–23–10 Textron Aviation Inc. (Type Certificate Previously Held by

Beechcraft Corporation) Airplanes: Amendment 39–19804; Docket No. FAA–2019–0959; Product Identifier 2019–CE–051–AD.

(a) Effective Date

This AD is effective November 22, 2019.

(b) Affected ADs

This AD replaces AD 2019–21–08, Amendment 39–19774 (84 FR 59926, November 7, 2019) (“AD 2019–21–08”).

(c) Applicability

This AD applies to the following Textron Aviation Inc. (Type Certificate previously held by Beechcraft Corporation) airplanes, certificated in any category:

- (1) Models E33, E33A, E33C, F33, G33, 35–C33, 35–C33A, S35, V35, V35A, and 36, all serial numbers (S/Ns);
- (2) Model F33A, S/Ns CE–290 through CE–680;
- (3) Model F33C, S/Ns CJ–26 through CJ–128;
- (4) Model V35B, S/Ns D–9069 through D–9961; and
- (5) Model A36, S/Ns E–185 through E–925.

(d) Subject

Joint Aircraft System Component (JASC)/ Air Transport Association (ATA) of America Code 2710, Aileron Control System.

(e) Unsafe Condition

This AD was prompted by reports of cracked and fractured right aileron flight control cable end fittings (terminal attachment fittings). The FAA is issuing this AD to detect and address damaged right aileron flight control cable end fittings. The unsafe condition, if not addressed, could result in failure of the right aileron flight control cable assembly, un-commanded right roll of the airplane, and loss of roll control in the left direction, which may lead to loss of control of the airplane.

(f) Compliance

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

(g) Inspection

Within 30 days after November 22, 2019 (the effective date retained from AD 2019–21–08) inspect the forward and aft right aileron flight control cable end fittings that thread into the turnbuckle. To gain access to the end fittings, you must remove the front seats and floorboards and, if installed, the rear seats and under-seat closeout. The end fittings are located underneath the heating duct, just forward of the aft carry through spar.

Note to paragraph (g) of this AD: Adjusting the turnbuckle relative to the end fittings will affect cable tension.

(1) Remove any safety wire from the end fittings and turnbuckle, if installed. Remove any sleeving and tape on the shank of the cable end fittings without gouging or scratching the fitting surface.

(2) Using a 10X magnification, a mirror, and a light source, inspect all exposed surfaces of both control cable end fittings for cracks, pitting, and corrosion.

(h) Follow-On Actions

Before further flight after the inspection required by paragraph (g) of this AD, do one of the following actions, as applicable:

(1) If there are no cracks, no pitting, and no corrosion, check cable tension and make any necessary adjustments, and replace safety wire; or

(2) If there is a crack or any pitting or corrosion, replace any damaged cable assembly.

(i) Credit for Previous Actions

(1) If you performed the actions required by paragraphs (g) and (h) of this AD before November 22, 2019 (the effective date retained from 2019–21–08) using one of the following documents, you met the requirements of this AD:

(i) American Bonanza Society (ABS) Air Safety Foundation Beechcraft Control Cable Turn Buckle Inspection Recommendation, dated February 8, 2019;

(ii) ABS Air Safety Foundation Recommended Beechcraft Control Cable Turnbuckle Inspection, Update 1, dated February 20, 2019; or

(iii) ABS Air Safety Foundation Recommended Beechcraft Control Cable Turnbuckle Inspection, Update 2, dated August 8, 2019.

(2) The ABS Air Safety Foundations recommended inspection documents are available on the internet at <https://www.regulations.gov> by searching for and locating Docket No. FAA–2019–0853. You may also obtain copies of these documents by contacting the ABS at American Bonanza Society, 3595 N. Webb Road, Suite 200, Wichita, KS 67226; email: info@bonanza.org; telephone: (316) 945–1700; fax: (316) 945–1710; or internet: <https://www.bonanza.org/>.

(j) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Wichita ACO Branch, 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 certification office, send it to the attention of the person identified in paragraph (k) of this AD.

(2) 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.

(k) Related Information

For more information about this AD, contact Alan Levanduski, Aerospace Engineer, Wichita ACO Branch, FAA, 1801 Airport Road, Room 100, Wichita, Kansas 67209; phone: (316) 946–4161; fax: (316) 946–4107; email: alan.levanduski@faa.gov.

Issued on November 20, 2019.

William Schinstock,

Aircraft Certification Service. Acting Manager, Small Airplane Standards Branch, AIR–690.

[FR Doc. 2019–25568 Filed 11–20–19; 4:15 pm]

BILLING CODE 4910–13–P

SECURITIES AND EXCHANGE COMMISSION**17 CFR Part 211**

[Release No. SAB 119]

Staff Accounting Bulletin No. 119

AGENCY: Securities and Exchange Commission.

ACTION: Publication of Staff Accounting Bulletin.

SUMMARY: This staff accounting bulletin updates portions of the interpretive guidance included in the Staff Accounting Bulletin Series in order to align the staff's guidance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 326, *Financial Instruments—Credit Losses* ("Topic 326").

DATES: *Effective:* November 25, 2019.

FOR FURTHER INFORMATION CONTACT:

Rachel Mincin, Associate Chief Accountant, Office of the Chief Accountant at (202) 551–5300, or Stephanie Sullivan, Associate Chief Accountant, Division of Corporation Finance at (202) 551–3400, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

SUPPLEMENTARY INFORMATION: In 2016, the FASB adopted ASC Topic 326 through its issuance of Accounting Standards Update No. 2016–13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*.¹ Upon

¹ ASC Topic 326 was subsequently amended through the issuances of Accounting Standards

its effective date, this standard will replace the existing incurred loss model for determining the allowance for loan losses with an expected credit loss model. The staff is publishing this staff accounting bulletin to update existing staff guidance² with respect to methodologies and supporting documentation for measuring credit losses. This updated guidance continues to focus on the documentation the staff would normally expect registrants engaged in lending transactions to prepare and maintain to support estimates of current expected credit losses for loan transactions. This update is applicable upon a registrant's adoption of Topic 326.

On November 15, 2019, the FASB delayed the effective date of the standard for certain small public companies and other private companies.³ As amended, the effective date of ASC Topic 326 was delayed until fiscal years beginning after December 15, 2022 for SEC filers that are eligible to be smaller reporting companies under the SEC's definition, as well as private companies and not-for-profit entities. Nothing in this staff accounting bulletin should be read to accelerate or delay the effective dates of the standard as modified by the FASB.

The statements in SABs are not rules or interpretations of the Commission, nor are they published as bearing the Commission's official approval. They represent staff interpretations and practices followed by the staff in the Division of Corporation Finance and the Office of the Chief Accountant in administering the disclosure requirements of the federal securities laws.

List of Subjects in 17 CFR Part 211

Accounting, Reporting and recordkeeping requirements, Securities.

Update ("ASU") No. 2018–19, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses*, ASU No. 2019–04, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments*, ASU No. 2019–05, *Financial Instruments—Credit Losses, Topic 326: Targeted Transition Relief*, and ASU No. 2019–10, *Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates*.

² See Codification of SABs Topic 6, Section L: *Financial Reporting Release No. 28—Accounting for Loan Losses by Registrants Engaged in Lending Activities*, which codified SAB No. 102—Selected Loan Loss Allowance Methodology and Documentation Issues, 66 FR 36457 (July 12, 2001).

³ See ASU No. 2019–10, *Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates*