Proposed Rules

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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.

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

12 CFR Part 21

[Docket No. 99–02]

RIN 1557–AB66

''Know Your Customer'' Requirements

AGENCY: Office of the Comptroller of the Currency (OCC), Treasury.

ACTION: Notice of proposed rulemaking; withdrawal.

SUMMARY: The OCC is withdrawing the ''Know Your Customer'' proposal which was published December 7, 1998. The OCC is taking this action in response to concerns about the privacy implications and likely burden of the proposed rule.

DATES: The proposed rule is withdrawn on March 30, 1999.

FOR FURTHER INFORMATION CONTACT: Robert Pasley, Assistant Director, Enforcement and Compliance Division (202) 874–4879; Thomas Fleming, Compliance Specialist (202) 874–4879, or Susan Quill, Compliance Expert (202) 874–4879, Community and Consumer Policy; or Mark Tenhundfeld, Assistant Director, Legislative and Regulatory Activities Division (202) 874–4879, Office of the Comptroller of the Currency, 250 E Street SW, Washington, DC 20219.

SUPPLEMENTARY INFORMATION: On December 7, 1998, the OCC, the Federal Reserve Board (FRB), the Federal Deposit Insurance Corporation (FDIC), and the Office of Thrift Supervision (OTS) (collectively, the Agencies) each published ''Know Your Customer'' proposals.[1] The proposed rules would have required each bank and savings association to develop a program designed to determine the identity of its customers; determine its customers' sources of funds; determine the normal and expected transactions of its customers; monitor account activity for transactions that are inconsistent with those normal and expected transactions; and report any transactions of its customers that were determined to be suspicious in accordance with the OCC's existing suspicious activity reporting regulations.

In response to its Know Your Customer proposal, the OCC received over 16,000 comments during the comment period, which closed on March 8, 1999. Virtually all of the commenters opposed adoption of the proposed rule. Commenters were concerned primarily about the privacy implications of the proposal and the burden it would impose on financial institutions.

The overwhelming majority of commenters were individual, private citizens who voiced very strong opposition to the proposal as an invasion of personal privacy. Other issues raised by these commenters included that the Agencies lack the authority to issue the proposal; the cost of any Know Your Customer program would be passed on to customers; and the regulation would be ineffective in preventing money laundering and other illicit financial activities.

Banks, bank holding companies, and banking trade groups that commented uniformly opposed the proposal. Their concerns included the following: (1) the regulation would be very costly to implement, especially for small banks; (2) the Know Your Customer program would invade customer privacy; (3) commercial banks would be unfairly disadvantaged and lose customers if all segments of the financial services industry are not covered; (4) compliance with the regulation would divert resources from Y2K preparation; (5) the Agencies lack authority to adopt the regulation; (6) public confidence in the banking industry would be harmed by the regulation; and (7) the regulation is both unnecessary and redundant, as banks are already familiar with their customers and have adequate procedures in place.

In light of the comments received, the OCC is withdrawing the proposal. While the OCC believes that banks should adopt their own policies and procedures to determine the identities of their customers, and should have systems and controls that will allow them to identify suspected illegal conduct, the large majority of national banks already have policies and processes in place to accomplish these objectives.

List of Subjects in 12 CFR Part 21

Bank Secrecy Act, Crime, Currency, National banks, Reporting and recordkeeping requirements, Security measures.

Authority and Issuance

For the reasons stated in the Preamble, under the authority vested in the OCC by 12 U.S.C. 93a, the OCC's notice of proposed rulemaking titled *''Know Your Customer'' Requirements*, published on December 7, 1998, at 63 FR 67524, is withdrawn.

Dated: March 23, 1999.

John D. Hawke, Jr.,

Comptroller of the Currency.

[FR Doc. 99–7767 Filed 3–29–99; 8:45 am]

BILLING CODE 4810–33–P

[1] *See* 63 FR 67524 (OCC); 63 FR 67516 (FRB); 63 FR 67529 (FDIC); 63 FR 67536 (OTS).

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 95–ANE–69]

Airworthiness Directives; Pratt & Whitney JT9D Series Turbofan Engines

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes to revise an existing airworthiness directive (AD), applicable to Pratt & Whitney JT9D series turbofan engines, that currently requires initial and repetitive eddy current inspections (ECI) of 14th and 15th stage high pressure compressor (HPC) disks for cracks, and removal of cracked disks and replacement with serviceable parts. This action would revise the definition of a shop visit to make compliance less restrictive, and add references to a Nondestructive Inspection Procedure attached to applicable service bulletins. This proposal is prompted by feedback from operators saying that the shop visit definition in the current AD made AD compliance unnecessarily restrictive. The actions specified by the proposed AD are intended to prevent 14th and 15th stage HPC disk rupture, which

could result in an uncontained engine failure and damage to the aircraft.

DATES: Comments must be received by April 29, 1999.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), New England Region, Office of the Regional Counsel, Attention: Rules Docket No. 95–ANE–69, 12 New England Executive Park, Burlington, MA 01803–5299. Comments may also be sent via the Internet using the following address: ''9-ad-engineprop@faa.gov''. Comments sent via the Internet must contain the docket number in the subject line. Comments may be inspected at this location between 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from Pratt & Whitney, Publications Department, Supervisor Technical Publications Distribution, M/S 132–30, 400 Main St., East Hartford, CT 06108; telephone (860) 565–7700. This information may be examined at the FAA, New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA.

FOR FURTHER INFORMATION CONTACT: Tara Goodman, Aerospace Engineer, Engine Certification Office, FAA, Engine and Propeller Directorate, 12 New England Executive Park, Burlington, MA 01803–5299; telephone (781) 238–7130; fax (781) 238–7199.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket Number 95–ANE–69.'' The postcard will be date stamped and returned to the commenter.

Availability of NPRM's

Any person may obtain a copy of this NPRM by submitting a request to the FAA, New England Region, Office of the Regional Counsel, Attention: Rules Docket No. 95–ANE–69, 12 New England Executive Park, Burlington, MA 01803–5299.

Discussion

On October 5, 1998, the Federal Aviation Administration (FAA) issued airworthiness directive (AD) 98–21–22, Amendment 39–10830 (63 FR 55500, October 16, 1998), applicable to Pratt & Whitney (PW) Model JT9D–59A, –70A, –7Q, –7Q3, and JT9D–7R4 series turbofan engines, to require initial and repetitive eddy current inspections (ECI) of 14th and 15th high pressure compressor (HPC) disks for cracks. That action was prompted by reports of disk bore cracks found during shop inspections on both the 14th and 15th stage HPC disks. That condition, if not corrected, could result in 14th and 15th stage HPC disk rupture, which could result in an uncontained engine failure and damage to the aircraft.

Since the issuance of that AD, the FAA has received feedback that requests changing the definition of shop visit as published in the final rule, published October 16, 1998, to the wording used in the supplemental NPRM (SNPRM), published January 5, 1998. In writing the final rule, the FAA changed the definition of shop visit for clarification from the version published in the SNPRM, January 5, 1998. This change, in effect, made the definition of shop visit more restrictive. The final rule states in paragraph (e) ''For the purpose of this AD, a shop visit is defined as the induction of an engine into the shop for scheduled maintenance.'' The SNPRM stated in paragraph (e) ''For the purpose of this AD, a shop visit is defined as a low pressure turbine module removal from an uninstalled engine.''

In order to conduct the repetitive inspections of 14th and 15th stage HPC disks for cracks when the opportunity presents itself when the low pressure turbine module is removed, typically when the engine is in the shop and maintenance work is being performed, and to be consistent with the risk analysis, the definition of shop visit is proposed to be changed to ''For the purpose of this AD, a shop visit is defined as a low pressure turbine module removal''.

In addition, this final rule adds references to the Nondestructive Inspection Procedure No. 858 (NDIP–858), dated November 7, 1995, attached to the various versions of the referenced service bulletins, which was inadvertently omitted from the current AD.

Since an unsafe condition has been identified that is likely to exist or develop on other products of this same type design, the proposed AD would revise AD 98–21–22 to revise the shop visit definition and add reference to NDIP–858.

Since this revised proposed rule would only change the definition of the shop visit and add reference to the NDIP, there is no effect on the economic analysis.

The regulations proposed herein would 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, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that 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) if promulgated, 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. A copy of the draft regulatory evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES.**

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 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. Section 39.13 is amended by removing 39–10830 (63 FR 55500, October 16, 1998), and by adding a new airworthiness directive, to read as follows:

Pratt & Whitney: Docket No. 95–ANE–69. Revises AD 98–2122, Amendment 39–10830.

Applicability: Pratt & Whitney (PW) Model JT9D–59A, –70A, –7Q, –7Q3, and JT9D–7R4 series turbofan engines, with the following 14th and 15th stage high pressure compressor (HPC) disks installed: Part Numbers (P/Ns) 5000814–01, 790014, 789914, 790114, 5000815–01, 5000815–021, 704315, 704315–001, 786215, 786215–001, 704314, 789814, and 790214. These engines are installed on but not limited to Airbus A300 and A310 series aircraft, Boeing 747 and 767 series aircraft, and McDonnell Douglas DC–10 series aircraft.

Note 1: This airworthiness directive (AD) applies to each engine identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For engines that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (f) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously.

To prevent 14th and 15th stage HPC disk rupture, which could result in an uncontained engine failure and damage to the aircraft, accomplish the following:

(a) Inspect 14th stage HPC disks, P/N 5000814–01, in accordance with Nondestructive Inspection Procedure No. 858 (NDIP–858), dated November 7, 1995, attached to PW Alert Service Bulletin (ASB) No. JT9D–7R4–524, original issue dated December 13, 1995, or Revision 1, dated June 26, 1997, as follows:

(1) Perform an initial eddy current inspection (ECI) for cracks as follows:

(i) For disks with 7,000 or more cycles since new (CSN), and 3,000 or more cycles in service (CIS) since last shop visit, on the effective date of this AD, inspect within the next 1,000 CIS after the effective date of this AD, or at the next shop visit, whichever occurs first.

(ii) For disks with 7,000 or more CSN, and less than 3,000 CIS since last shop visit, on the effective date of this AD, inspect within 4,000 CIS since the last shop visit, or at the next shop visit, whichever occurs first.

(iii) For disks with less than 7,000 CSN on the effective date of this AD, inspect at the next shop visit after the effective date of this AD, but before exceeding 4,000 CIS since last shop visit, or 8,000 CSN, whichever occurs later.

(iv) For uninstalled disks on or after the effective date of this AD, inspect prior to installation.

(2) Thereafter, perform ECI for cracks at intervals not to exceed 4,000 CIS since last ECI.

(3) Prior to further flight, remove cracked disks and replace with serviceable parts.

(b) Inspect 14th stage HPC disks, P/N's 790014, 789914, 790114, and 15th stage HPC disks, P/N's 5000815–01, 5000815–021, 704315, 704315–001, 786215, and 786215–001, in accordance with NDIP–858, dated November 7, 1995, attached to PW ASB No. JT9D–7R4–A72–524, dated December 13, 1995, or Revision 1, dated June 26, 1997, or PW ASB No. A6232, dated December 13, 1995, or Revision 1, dated January 11, 1996, or Revision 2, June 26, 1997, as applicable, as follows:

(1) Perform an initial ECI for cracks as follows:

(i) For disks with 6,500 or more CSN, and 3,000 or more CIS since last shop visit, on the effective date of this AD, inspect within the next 1,000 CIS after the effective date of this AD, or at the next shop visit, whichever occurs first.

(ii) For disks with 6,500 or more CSN, and less than 3,000 CIS since last shop visit, on the effective date of this AD, inspect within 4,000 CIS since the last shop visit, or at the next shop visit, whichever occurs first.

(iii) For disks with less than 6,500 CSN on the effective date of this AD, inspect at the next shop visit after the effective date of this AD, but before exceeding 4,000 CIS since last shop visit, or 7,500 CSN, whichever occurs later.

(iv) For uninstalled disks on or after the effective date of this AD, inspect prior to installation.

(2) Thereafter, perform ECI for cracks at intervals not to exceed 4,000 CIS since last ECI.

(3) Prior to further flight, remove cracked disks and replace with serviceable parts.

(c) Inspect 14th stage HPC disks, P/N's 704314, 789814, and 790214, in accordance with NDIP–858, dated November 7, 1995, attached to PW ASB No. A6232, original issue, dated December 13, 1995, or Revision 1, dated January 11, 1996, or Revision 2, dated June 26, 1997, as follows:

(1) Perform an initial ECI for cracks as follows:

(i) For disks with 2,000 or more CSN, and 2,000 or more CIS since last shop visit, on the effective date of this AD, inspect within the next 1,000 CIS after the effective date of this AD, or at the next shop visit, whichever occurs first.

(ii) For disks with 2,000 or more CSN, and less than 2,000 CIS since last shop visit, on the effective date of this AD, inspect within 3,000 CIS since the last shop visit, or at the next shop visit, whichever occurs first.

(iii) For disks with 2,000 or more CSN, and no previous shop visits, inspect within 3,000 CIS after the effective date of this AD, or at the next shop visit, whichever occurs first.

(iv) For disks with less than 2,000 CSN on the effective date of this AD, inspect at the next shop visit after the effective date of this AD, but before exceeding 5,000 CSN.

(v) For uninstalled disks on or after the effective date of this AD, inspect prior to installation.

(2) Thereafter, perform ECI for cracks at intervals not to exceed 3,000 CIS since last ECI.

(3) Prior to further flight, remove cracked disks and replace with serviceable parts.

(d) Within 30 days of inspection, report inspection results on the form labeled ''14th and 15th Stage HPC Disk Inspection Report,'' to Pratt & Whitney Customer Technical Support. The fax number is listed on that form which is attached to PW ASB No. JT9D–7R4–A72–524, Revision 1, dated June 26, 1997, or PW ASB No. A6232, Revision 2, June 26, 1997. Reporting requirements have been approved by the Office of Management and Budget and assigned OMB control number 2120–0056.

(e) For the purpose of this AD, a shop visit is defined as a low pressure turbine module removal.

(f) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Engine Certification Office. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Engine Certification Office.

Note 2: Information concerning the existence of approved alternative methods of compliance with this airworthiness directive, if any, may be obtained from the Engine Certification Office.

(g) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the aircraft to a location where the requirements of this AD can be accomplished.

Issued in Burlington, Massachusetts, on March 23, 1999.

David A. Downey,

Assistant Manager, Engine and Propeller Directorate, Aircraft Certification Service.

[FR Doc. 99–7688 Filed 3–29–99; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 99–AGL–19]

Proposed Modification of Class E Airspace; Savanna, IL

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: This notice proposes to modify Class E airspace at Savanna, IL. A Global Positioning System (GPS)