

(8) Reviewing the policies and procedures established by senior management to assess and monitor implementation of with the Bank's strategic business plan and the operating goals and objectives contained therein; and (9) Report periodically its findings to the Bank's board of directors.

(f) *Meetings.* The audit committee shall prepare written minutes of each audit committee meeting.

§ 917.6 Budget preparation and reporting requirements.

(a) *Adoption of budgets.* Each Bank's board of directors shall be responsible for the adoption of an annual operating expense budget and a capital expenditures budget for the Bank, and any subsequent amendments thereto, consistent with the requirements of the Act, this section, other regulations and policies of the Finance Board, and with the Bank's responsibility to protect both its members and the public interest by keeping its costs to an efficient and effective minimum.

(b) *No delegation of budget authority.* A Bank's board of directors may not delegate the authority to approve the Bank's annual budgets, or any subsequent amendments thereto, to Bank officers or other Bank employees.

(c) *Interest rate scenario.* A Bank's annual budgets shall be prepared based upon an interest rate scenario as determined by the Bank.

(d) *Board approval for deviations.* A Bank may not exceed its total annual operating expense budget or its total annual capital expenditures budget without prior approval by the Bank's board of directors of an amendment to such budget.

§ 917.7 Dividends.

A Bank's board of directors may declare and pay a dividend only from previously retained earnings or current net earnings and only if such payment will not result in a projected impairment of the par value of the capital stock of the Bank. Dividends on such capital stock shall be computed without preference.

§ 917.8 Bank bylaws.

A Bank's board of directors shall have in effect at all times bylaws governing the manner in which the Bank administers its affairs and such bylaws shall be consistent with applicable laws and regulations as administered by the Finance Board.

§ 917.9 Mission of the Banks; Strategic business plan.

(a) *Mission of the Banks.* The mission of the Banks is to provide to its members and associates financial

products and services, including but not limited to advances, that assist and enhance such members' and associates' financing of:

(1) Housing, including single-family and multi-family housing serving consumers at all income levels; and

(2) Community lending.

(b) *Adoption of strategic business plan.* Beginning 90 days after the effective date of this section, each Bank's board of directors shall have in effect at all times a strategic business plan that describes how the business activities of the Bank will achieve the mission of the Bank as set forth in paragraph (a) of this section. Specifically, each Bank's strategic business plan shall:

(1) Enumerate those business activities of the Bank that the board of directors has determined are consistent with the mission of the Banks as set forth in paragraph (a) of this section and the reasons that those activities are so designated, including how such activities assist and enhance members' and associates' business and further the cooperative nature of the Bank System;

(2) Enumerate operating goals and objectives for each major business activity and for all new business activities and the strategies for meeting such goals and objectives;

(3) Describe any proposed new business activities or enhancements of existing activities; and

(4) Be supported by appropriate and timely research and analysis of relevant market developments and member and associate demand for Bank products and services.

(c) *Review and monitoring.* Each Bank's board of directors shall:

(1) Review the Bank's strategic business plan at least annually;

(2) Amend the strategic business plan as appropriate;

(3) Re-adopt the Bank's strategic business plan, including interim amendments, not less often than every three years; and

(4) Establish management reporting requirements and monitor implementation of the strategic business plan and the operating goals and objectives contained therein.

Dated: December 14, 1999.

By the Board of Directors of the Federal Housing Finance Board.

Bruce A. Morrison,
Chairman.

[FR Doc. 99-34037 Filed 12-30-99; 8:45 am]

BILLING CODE 6725-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 99-NM-304-AD]

RIN 2120-AA64

Airworthiness Directives; Airbus Model A300 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to certain Airbus Model A300 series airplanes. This proposal would require a one-time detailed visual inspection to detect corrosion on the outer surface of the fuselage skin panel; application of corrosion preventive protection; and corrective action, if necessary. This proposal is prompted by issuance of mandatory continuing airworthiness information by a foreign civil airworthiness authority. The actions specified by the proposed AD are intended to detect and correct corrosion of the fuselage skin panel, which could result in cracking and consequent reduced structural integrity of the airplane.

DATES: Comments must be received by February 2, 2000.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-114, Attention: Rules Docket No. 99-NM-304-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from Airbus Industrie, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: Norman B. Martenson, Manager, International Branch, ANM-116, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (425) 227-2110; fax (425) 227-1149.

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 shall 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 99-NM-304-AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM-114, Attention: Rules Docket No. 99-NM-304-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

Discussion

The Direction Generale de l'Aviation Civile (DGAC), which is the airworthiness authority for France, notified the FAA that an unsafe condition may exist on certain Airbus Model A300 series airplanes. The DGAC advises that several cases of corrosion have been reported on the outer surface of the fuselage skin panel between fuselage frames 39 and 40, and between stringers 27 and 33. Cracking on the fuselage skin panels and associated stiffeners has also been detected, resulting from the adverse effects of stress corrosion. Such corrosion and cracking, if not corrected, could result in reduced structural integrity of the airplane.

Explanation of Relevant Service Information

Airbus has issued Service Bulletin A300-53-0328, dated March 5, 1999,

which describes procedures for inspection for corrosion; application of corrosion preventive protection to delay the occurrence of corrosion; and repair if correction is detected. The service bulletin describes several repair methods, including rework of corroded areas, repair of panels still within permitted limits, or replacement of panels outside permitted limits, depending on the severity of the corrosion. Accomplishment of the actions specified in the service bulletin is intended to adequately address the identified unsafe condition. The DGAC classified this service bulletin as mandatory and issued French airworthiness directive 1999-209-281(B), dated May 19, 1999, in order to ensure the continued airworthiness of these airplanes in France.

FAA's Conclusions

This airplane model is manufactured in France and is type certificated for operation in the United States under the provisions of § 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the DGAC has kept the FAA informed of the situation described above. The FAA has examined the findings of the DGAC, reviewed all available information, and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

Explanation of Requirements of Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other airplanes of the same type design registered in the United States, the proposed AD would require accomplishment of the actions specified in the service bulletin described previously, except as described below.

Differences Between Proposed Rule and Service Bulletin

Operators should note that, although the service bulletin specifies that the manufacturer may be contacted for disposition of certain repair conditions, this proposal would require replacement of the skin panel to be accomplished in accordance with the service bulletin.

Cost Impact

The FAA estimates that 3 airplanes of U.S. registry would be affected by this proposed AD, that it would take approximately 4 or 22 work hours per airplane, depending on the airplane configuration, to accomplish the

proposed inspection, and that the average labor rate is \$60 per work hour. Based on these figures, the cost impact of the proposed AD on U.S. operators is estimated to be between \$240 or \$1,320 per airplane.

The cost impact figure discussed above is based on assumptions that no operator has yet accomplished any of the proposed requirements of this AD action, and that no operator would accomplish those actions in the future if this AD were not adopted.

Regulatory Impact

The regulations proposed herein 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. Therefore, it is determined that this proposal would not have federalism implications under Executive Order 13132.

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 adding the following new airworthiness directive:

Airbus Industrie: Docket 99-NM-304-AD.

Applicability: Model A300 series airplanes, certificated in any category; except those on which Airbus Modification 04201 has been accomplished.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been otherwise modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes 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 (c) 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 detect and correct corrosion of the fuselage skin panel, which could result in cracking and consequent reduced structural integrity of the airplane, accomplish the following:

Inspection

(a) Perform a one-time detailed visual inspection of the outer surface of the fuselage skin panel between fuselage frames FR39 and FR40, and between stringers 27 and 33, for corrosion; in accordance with Airbus Service Bulletin A300-53-0328, dated March 5, 1999. Perform the inspection at the applicable time specified in paragraph (a)(1), (a)(2), or (a)(3) of this AD. If any corrosion is found, prior to further flight, repair (*i.e.*, rework corroded areas, or repair or replace panels, as applicable) in accordance with the service bulletin, except as provided by paragraph (b) of this AD. Temporary repairs must be replaced with permanent repairs prior to accumulation of the life limits specified in the service bulletin.

(1) For airplanes for which the date of manufacture was less than 15 years before the effective date of this AD: Inspect within 18 months after the effective date of this AD.

(2) For airplanes for which the date of manufacture was at least 15 but less than 20 years before the effective date of this AD: Inspect within 12 months after the effective date of this AD.

(3) For airplanes for which the date of manufacture was 20 or more years before the effective date of this AD: Inspect within 6 months after the effective date of this AD.

Note 2: For the purposes of this AD, a detailed visual inspection is defined as: "An intensive visual examination of a specific structural area, system, installation, or assembly to detect damage, failure, or irregularity. Available lighting is normally supplemented with a direct source of good lighting at intensity deemed appropriate by the inspector. Inspection aids such as mirror, magnifying lenses, etc., may be used. Surface cleaning and elaborate access procedures may be required."

(b) Where Airbus Service Bulletin A300-53-0328, dated March 5, 1999, specifies that Airbus may be contacted for a repair, prior

to further flight, replace the skin panel with a new or serviceable skin panel in accordance with the service bulletin.

Alternative Methods of Compliance

(c) 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, International Branch, ANM-116, FAA, Transport Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, International Branch, ANM-116.

Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the International Branch, ANM-116.

Special Flight Permits

(d) 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 airplane to a location where the requirements of this AD can be accomplished.

Note 4: The subject of this AD is addressed in French airworthiness directive 1999-209-281(B), dated May 19, 1999.

Issued in Renton, Washington, on December 27, 1999.

D.L. Riggins,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 99-34032 Filed 12-30-99; 8:45 am]

BILLING CODE 4910-13-P

CONSUMER PRODUCT SAFETY COMMISSION

16 CFR Part 1700

Household Products Containing Hydrocarbons

AGENCY: Consumer Product Safety Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Consumer Product Safety Commission ("CPSC" or "Commission") has reason to believe that child-resistant packaging may be needed to protect children from serious illness or injury from products that contain low-viscosity hydrocarbons. This notice of proposed rulemaking ("NPR") proposes a rule under the Poison Prevention Packaging Act ("PPPA") that would require child-resistant packaging for many products that contain low-viscosity hydrocarbons. The Commission solicits written comments from interested persons.

DATES: The Commission must receive any comments in response to this notice by March 20, 2000.

ADDRESSES: Comments should be mailed, preferably in five copies, to the Office of the Secretary, Consumer Product Safety Commission, Washington, D.C. 20207-0001, or delivered to the Office of the Secretary, Consumer Product Safety Commission, Room 502, 4330 East-West Highway, Bethesda, Maryland 20814; telephone (301) 504-0800. Comments also may be filed by telefacsimile to (301)504-0127 or by email to cpsc-os@cpsc.gov. Comments should be captioned "NPR for Hydrocarbons."

FOR FURTHER INFORMATION CONTACT: Suzanne Barone, Directorate for Epidemiology and Health Sciences, Consumer Product Safety Commission, Washington, DC 20207; telephone (301) 504-0477, ext. 1196.

SUPPLEMENTARY INFORMATION:

A. Background

The Poison Prevention Packaging Act ("PPPA"), 15 U.S.C. 1471-1476, authorizes the U.S. Consumer Product Safety Commission ("CPSC") to require child-resistant packaging of hazardous household substances in appropriate cases. This notice proposes to require child-resistant packaging for certain low-viscosity hydrocarbon products.¹

Direct aspiration into the lung, or aspiration during vomiting, of small amounts of petroleum distillates and other similar hydrocarbon solvents can result in chemical pneumonia, pulmonary damage, and death. Except in specific instances, the current regulations do not require that these solvents be in child-resistant packaging. However, these chemicals are the primary ingredients in many different consumer products to which children have access.

The viscosity of a hydrocarbon-containing product contributes to its potential toxicity. Viscosity is the measurement of the ability of liquid to flow. Liquids with high viscosities are thick or "syrupy," and liquids with low viscosities are more "watery." Products with low viscosity pose a greater risk of aspiration into the lungs.

Under regulations issued under the Federal Hazardous Substances Act ("FHSA"), the CPSC regulates the labeling of hazardous household substances containing 10 percent or more by weight petroleum distillates because these products may cause injury or illness if ingested. 16 CFR 1500.14. The PPPA regulations also require child-resistant packaging for some household products containing

¹ Statements by the Commissioners concerning this action are available from the Office of the Secretary.