

Service Bulletin (ASB) 205B-02-39, Revision B, dated November 22, 2002, or BHTI ASB 212-02-116, Revision A, dated October 30, 2002.

(d) At intervals not to exceed 1,200 hours TIS or 24 months, whichever occurs first:

- (1) Remove each main rotor blade, and
- (2) Inspect each grip buffer pad on the inner surfaces of each grip tang for delamination (see Figure 1 of this AD). If there is any delamination, remove the buffer pad and inspect the grip surface for corrosion or other damage.

Note 2: This inspection interval coincides with the main rotor tension-torsion strap replacement times.

(e) Within 2,400 hours TIS or at the next overhaul of the main rotor hub, whichever occurs first, and then at intervals not to exceed 2,400 hours TIS:

- (1) Remove each main rotor blade.
- (2) Remove each grip buffer pad (if installed) from the inner surfaces of each grip tang.
- (3) Visually inspect the grip surfaces for corrosion or other damage.
- (4) Fluorescent-penetrant inspect (FPI) the grip for a crack, paying particular attention to the upper and lower grip tangs. When inspecting a grip, P/N 204-011-121-005, -009, or -113, or ASI-4011-121-9, pay particular attention to the leading and trailing edges of the grip barrel.

Note 3: FPI procedures are contained in BHTI Standard Practices Manual, BHT-ALL-SPM.

(f) Before further flight:

- (1) Replace any cracked grip with an airworthy grip.
- (2) Replace any grip with any corrosion or other damage with an airworthy grip, or repair the grip if the corrosion or other damage is within the maximum repair limitations found in the applicable Component and Repair Overhaul Manual.

Note 4: BHTI ASB 212-94-92, Revision A, dated March 13, 1995, and BHTI Operations Safety Notice (OSN) 204-85-6, OSN 205-85-9, and OSN 212-85-13, all dated November 14, 1985, also pertain to the subject of this AD.

(3) Remove any grip, P/N 204-011-121-009 or ASI-4011-121-9, that has been in service for 15,000 or more hours TIS.

(4) Remove any grip, P/N 204-011-121-121, that has been in service for 25,000 or more hours TIS.

(g) Revise the Airworthiness Limitations section of the applicable maintenance manual or the Instructions for Continued Airworthiness (ICA) by establishing a new retirement life of 15,000 hours TIS for grip, P/N 204-011-121-009 or ASI-4011-121-9, and 25,000 hours TIS for grip, P/N 204-011-121-121, by marking pen and ink changes or inserting a copy of this AD into the maintenance manual or ICA.

(h) Record a 15,000 hour TIS life limit for each grip, P/N 204-011-121-009 or ASI-4011-121-9, and a 25,000 hour life limit for each grip, P/N 204-011-121-121, on the applicable component history card or equivalent record.

(i) To request a different method of compliance or a different compliance time

for this AD, follow the procedures in 14 CFR 39.19. Contact the Manager, Rotorcraft Certification Office, *Attn:* Michael Kohner, Aviation Safety Engineer, Rotorcraft Directorate, FAA, 2601 Meacham Blvd., Fort Worth, Texas 76137, telephone (817) 222-5170, fax (817) 222-5783, for information about previously approved alternative methods of compliance.

(j) The Joint Aircraft System/Component (JASC) Code is 6220: Main Rotor Head.

Issued in Fort Worth, Texas, on June 5, 2010.

Mark R. Schilling,

Acting Manager, Rotorcraft Directorate, Aircraft Certification Service.

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BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 91

[Docket No. FAA-2010-0667]

Proposed Legal Interpretation

AGENCY: Federal Aviation Administration (FAA)

ACTION: Proposed interpretation.

SUMMARY: The FAA is considering revising its broad prohibition on pro rata reimbursement for the cost of owning, operating and maintaining a company aircraft when used for routine personal travel by senior company officials and employees under certain conditions.

DATES: Comments must be received on or before August 9, 2010.

ADDRESSES: You may send comments identified by Docket Number FAA-2010-0667 using any of the following methods:

- *Federal eRulemaking Portal:* Go to <http://www.regulations.gov> and follow the online instructions for sending your comments electronically.

- *Mail:* Send comments to Docket Operations, M-30; U.S. Department of Transportation, 1200 New Jersey Avenue, SE., Room W12-140, West Building Ground Floor, Washington, DC 20590-0001.

- *Hand Delivery or Courier:* Bring comments to Docket Operations in Room W12-140 of the West Building Ground Floor at 1200 New Jersey Avenue, SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

- *Fax:* Fax comments to Docket Operations at 202-493-2251.

FOR FURTHER INFORMATION CONTACT: Rebecca B. MacPherson, Assistant Chief Counsel, Regulations Division, Office of

the Chief Counsel, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC 20591; telephone: 202 267-3073.

SUPPLEMENTARY INFORMATION:

The Federal Aviation Administration (FAA) generally prohibits aircraft operators from seeking reimbursement for the costs associated with flights conducted under part 91 of Title 14 of the Code of Federal Regulations (CFR). Certain exceptions to this general prohibition may be found in 14 CFR 91.501. One of the exceptions, located in § 91.501(b)(5), provides for limited reimbursement for the “carriage of officials, employees, guests, and property of a company on an airplane operated by that company, or the parent or a subsidiary of the parent, when the carriage is within the scope of, and incidental to, the business of the company (other than transportation by air) and no charge, assessment or fee is made for the carriage in excess of the cost of owning, operating, and maintaining the airplane, * * *.”

In 1993, the FAA’s Office of the Chief Counsel issued a legal interpretation of this provision that addressed officials and employees of a company using the company aircraft for personal travel. Interpretation 1993-17, August 2, 1993. This letter is commonly referred to as the “Schwab Interpretation.” In the Schwab Interpretation, the FAA noted that the personal travel was not within the scope of the company’s business and so did not meet the two-part test set forth in § 91.501(b)(5), *i.e.*, that it be within the scope of and incidental to the company’s business.

On March 1, 2010, the National Business Aviation Association (NBAA) requested the FAA consider revising the long-standing Schwab Interpretation to address highly placed officers and employees of a company who could be recalled at any moment, or whose travel plans could be altered immediately prior to the individual going on personal travel. The FAA is considering narrowing the broad prohibition provided in the Schwab Interpretation; the agency is publishing this notice to seek comment on its revised interpretation.

In the Schwab Interpretation, the FAA rejected the argument that a need to communicate with a senior company official justified an assertion that the personal travel was within the company’s business. Instead, the FAA noted that “[i]t may very well be that the Company wants to maintain prompt communications with Mr. Schwab when he is on pleasure trips. That desire, however, does not alter the fact that he

is traveling for pleasure. As stated, the Agency's interpretations have held that such carriage is not within the scope of, and incidental to, the company's business. The ability of the Company to communicate with him is in no way dependent upon charging him for carriage for such purposes." The NBAA made similar arguments in its recent request that company officials have the ability to conduct meaningful, real-time work aboard company aircraft, and so personal travel can be within the scope of the company's business even though it is incidental to that business. The FAA rejects this argument as sufficient to merit a change in agency interpretation of § 91.501(b)(5). If anything, the advances in communication technology weaken any argument that the use of company aircraft is necessary for personal travel. The advent of laptop computers and handheld PDAs has led to greater communication than ever before.

The FAA finds more compelling the argument that certain, highly-placed officials and employees may be unable to reliably schedule personal travel due to the nature of their employment.

Recalling an individual from a vacation because of an emergency is clearly within the scope of a company's business. To the extent that using company aircraft is the most efficient way to transport the individual in an emergency situation, the FAA would not object to company aircraft being used; although there could be some question as to whether the transport was still incidental to the company's business, such that both prongs of § 91.501(b)(5) apply.

However, the FAA believes there is merit to the position that even the first leg of the trip could, under limited circumstances, be within the scope of a company's business, even though there were no emergency circumstances at play. The FAA recognizes that fairly routine personal travel, such as a summer vacation or weekend ski trip, could be cancelled up to the last moment because of compelling business concerns. As such, the company may determine that it is more efficient to provide the company aircraft than to reimburse the individual for the cost of cancelled commercial airfare. In addition, the company may be able to accommodate the individual's altered plans by providing the company aircraft as soon as possible after the compelling business concern has been resolved. As such, while the personal travel is not within the scope of the company's business, indeed it is clearly incidental to that business, the need to modify the travel on very short notice may well be.

Likewise, to the extent that the return trip is not compelled by emergency circumstances, the ability of a company to alter an individual's travel plans on very short notice may render a particular flight both within the scope of and incidental to the company's business. Thus, the FAA has tentatively determined that a company could be reimbursed for the pro rata cost of owning, operating, and maintaining the aircraft when used for routine personal travel by an individual whose position merits such a high level of company interference into his or her personal travel plans.

The FAA notes that not all personal travel would meet these conditions. As noted above, truly emergency circumstances would likely obviate a company's ability to demonstrate that a particular flight is incidental to the company's business. By the same token, there are certain types of personal travel that are unlikely to be altered or cancelled, even for compelling business reasons. For example, absent an emergency, it is highly unlikely that a senior officer or employee would be expected to miss a significant event, such as a wedding or funeral of a close family member. It is also unlikely that the individual would be expected to cancel or reschedule necessary surgery or other medical treatment.

In order to prevent companies from abusing the proposed change in the Schwab Interpretation, the FAA believes that a company wishing to take advantage of the interpretation should maintain and regularly update a list of individuals whose position within the company require him or her to routinely change travel plans within a very short period of time. The company should be prepared to share this list with the FAA if requested. The FAA recognizes that the Securities Exchange Commission and Internal Revenue Service employ the concept of "specified individuals" in the context of certain reporting requirements and taxation issues. These individuals generally include officers, directors, and more than 10 percent owners of a company. The FAA does not believe that all officers of a company are likely to be subject to the level of company control discussed above, nor are all directors. Rather than issue a blanket description of which individuals may be covered by the proposed revision, the FAA believes it is appropriate for the company's board, or equivalent governing body, to list which company individuals are so situated. In addition, the company would need to keep records indicating that a determination has been made by

the company that the flight in question was of a routine personal nature.

Issued in Washington, DC, on June 30, 2010.

Rebecca B. MacPherson,
Assistant Chief Counsel for Regulations.

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DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket No. USCG-2010-0600]

RIN 1625-AA00

Safety Zone; Fireworks Display, Portland, OR

AGENCY: Coast Guard, DHS.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Coast Guard proposes the establishment of a temporary safety zone covering specified waters of the Willamette River bounded by the Hawthorne Bridge to the north, Marquam Bridge to the south, and the shoreline to the east and west in support of the Oregon Symphony Celebration Fireworks Display, Portland, Oregon. The safety zone is necessary to help ensure the safety of the maritime public during the event and will do so by prohibiting all persons and vessels from entering the safety zone unless authorized by the Captain of the Port or his designated representative.

DATES: Comments and related material must be received by the Coast Guard on or before August 9, 2010.

ADDRESSES: You may submit comments identified by docket number USCG-2010-0600 using any one of the following methods:

(1) *Federal eRulemaking Portal:* <http://www.regulations.gov>.

(2) *Fax:* 202-493-2251.

(3) *Mail:* Docket Management Facility (M-30), U.S. Department of Transportation, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE., Washington, DC 20590-0001.

(4) *Hand delivery:* Same as mail address above, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The telephone number is 202-366-9329.

To avoid duplication, please use only one of these four methods. See the "Public Participation and Request for Comments" portion of the **SUPPLEMENTARY INFORMATION** section