

The Proposed Amendment

Accordingly, under the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 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:

Rolls-Royce plc: Docket No. 2003-NE-31-AD.

Comments Due Date

(a) The FAA must receive comments on this airworthiness directive (AD) action by December 8, 2003.

Affected ADs

(b) None.

Applicability

(c) This AD applies to Rolls-Royce plc (RR) models RB211-535C-37, RB211-535E4-37, RB211-535E4-B-37, and RB211-535E4-B-75 turbofan engines with radial drive steady bearing part number LK76084 installed with fewer than 3,000 engine operating hours accumulated on the bearing. Radial drive steady bearings with engine operating hours of 3,000 or more are not affected by this proposed AD. These engines are installed on, but not limited to Boeing 757 and Tupolev Tu204 airplanes.

Unsafe Condition

(d) This AD was prompted by reports of seven low time failures of radial drive steady bearings within a four-month period. We are issuing this AD to prevent a possible dual-engine in-flight shutdown caused by radial drive steady bearing failure.

Compliance

(e) You are responsible for having the actions required by this AD performed within the compliance times specified unless the actions have already been done.

Initial Visual Inspection

(f) Perform an initial inspection of the engine scavenge filter for evidence of radial drive steady bearing failure, within 300 engine operating hours or 45 days after the effective date of this AD, whichever occurs first, and replace parts as necessary. Use paragraph 3.B. of Accomplishment Instructions of RR Mandatory Service Bulletin (MSB) No. RB.211-72-C815, Revision 3, dated October 5, 2000, to do the inspection and parts replacements.

Repetitive Visual Inspections

(g) Thereafter, for radial drive steady bearings with less than 3,000 engine operating hours, perform repetitive inspections of the engine scavenge filter for

evidence of radial drive steady bearing failure, at intervals not to exceed 500 engine operating hours since the previous inspection, and replace parts as necessary. Use paragraph 3.C. of Accomplishment Instructions of RR MSB No. RB.211-72-C815, Revision 3, dated October 5, 2000, to do the inspections and parts replacements.

Rejected Bearings

(h) Send rejected bearings, together with the associated scavenge filter, to Rolls-Royce for analysis.

Reporting Requirements

(i) The Office of Management and Budget (OMB) has approved the reporting requirements specified in paragraph 3. of RR MSB No. RB.211-72-C815, Revision 3, dated October 5, 2000, and assigned OMB control number 2120-0056.

Alternative Methods of Compliance

(j) You must request AMOCs as specified in 14 CFR 39.19. All AMOCs must be approved by the Manager, Engine Certification Office, FAA, 12 New England Executive Park, Burlington, MA 01803-5299.

Material Incorporated by Reference

(k) You must use Rolls-Royce plc Mandatory Service Bulletin No. RB.211-72-C815, Revision 3, dated October 5, 2000, to perform the inspections and parts replacements required by this AD. Approval of incorporation by reference from the Office of the Federal Register is pending.

Related Information

(l) CAA airworthiness directive 005-07-99, dated July 30, 1999, also addresses the subject of this AD.

Issued in Burlington, Massachusetts, on October 3, 2003

Jay J. Pardee,

Manager, Engine and Propeller Directorate, Aircraft Certification Service.

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DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 36

RIN 2900-AL54

Loan Guaranty: Hybrid Adjustable Rate Mortgages

AGENCY: Department of Veterans Affairs.
ACTION: Proposed rule.

SUMMARY: The Department of Veterans Affairs (VA) proposes to amend its loan guaranty regulations by making two changes to conform to the Veterans Benefits Act of 2002. To implement section 303 of the law, VA proposes to incorporate into the regulations a new authority for hybrid adjustable rate mortgages. This will allow VA to guarantee loans with interest rates that

remain fixed for a period of not less than the first three years of the loan, after which the rate can be adjusted annually. To implement section 307 of the law, VA proposes to increase the fee paid for assuming a VA guaranteed loan from .50 percent to 1.00 percent of the loan amount. The fee increase is already being carried out under the authority of the statute.

DATES: Comments must be received on or before November 10, 2003.

ADDRESSES: Mail or hand deliver written comments to: Director, Regulations Management (00REG1), Department of Veterans Affairs, 810 Vermont Avenue, NW., Room 1068, Washington, DC 20420; or fax comments to (202) 273-9026; or e-mail comments to OGCRegulations@mail.va.gov.

Comments should indicate that they are submitted in response to "RIN 2900-AL54." All written comments received will be available for public inspection at the above address in the Office of Regulations Management, Room 1063B, between the hours of 8 a.m. and 4:30 p.m., Monday through Friday (except holidays). Please call (202) 273-9515 for an appointment.

FOR FURTHER INFORMATION CONTACT: Mr. Robert D. Finneran, Assistant Director for Policy and Valuation (262), Loan Guaranty Service, Veterans Benefits Administration, Department of Veterans Affairs, Washington, DC 20420, (202) 273-7368.

SUPPLEMENTARY INFORMATION:

A. Background

Under 38 U.S.C. chapter 37, VA guarantees loans made by private lenders to veterans for the purchase, construction, and refinancing of homes owned and occupied by veterans. Prior to fiscal year 1993, VA had authority to guarantee fixed rate mortgages only. During fiscal years 1993, 1994, and 1995 VA was authorized to guarantee loans with adjustable interest rates. These rates were adjusted on an annual basis, except that the first adjustment had to occur no sooner than 12 months nor later than 18 months from the date of the borrower's first mortgage payment. Authority for these loans expired at the end of fiscal year 1995.

Section 303 of Pub. L. 107-330 authorizes a demonstration project during fiscal years 2004 and 2005, whereby VA will guarantee loans with hybrid adjustable interest rates. Effective October 1, 2003, or as soon thereafter as practicable, VA proposes to guarantee loans that have interest rate adjustment provisions that (1) specify an initial rate that is fixed for a period of not less than the first three years of