The DOT has analyzed the environmental impacts of this proposed action pursuant to the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321 et seq.) and has determined that it is categorically excluded pursuant to DOT Order 5610.1C, Procedures for Considering Environmental Impacts (44 FR 56420, Oct. 1, 1979). Categorical exclusions are actions identified in an agency’s NEPA implementing procedures that do not normally have a significant impact on the environment and therefore do not require either an environmental assessment (EA) or environmental impact statement (EIS). See 40 CFR 1508.4. In analyzing the applicability of a categorical exclusion, the agency must also consider whether extraordinary circumstances are present that would warrant the preparation of an EA or EIS. 61 Fed. Reg. 3.5 of DOT Order 5610.1C incorporates by reference the categorical exclusions for all DOT Operating Administrations. This action is covered by the categorical exclusion listed in the Federal Highway Administration’s implementing procedures, “[p]romulgation of rules, regulations, and directives.” 23 CFR 771.117(c)(20). The purpose of this rulemaking is to permit recipients and subrecipients to impose geographic-based hiring preferences whenever not otherwise prohibited by Federal statute. The agency does not anticipate any environmental impacts, and there are no extraordinary circumstances present in connection with this rulemaking.

Regulation Identifier Number

A regulation identifier number (RIN) is assigned to each regulatory action listed in the Unified Agenda of Federal Regulations. The Regulatory Information Service Center publishes the Unified Agenda in April and October of each year. The RIN contained in the heading of this document can be used to cross reference this action with the Unified Agenda.

List of Subjects in 2 CFR Part 1201

Uniform administrative requirements, cost principles, and audit requirements for Federal awards.

Issued in Washington, DC, on February 24, 2015.

Anthony R. Foxx,
Secretary of Transportation.

For the reasons set forth in the preamble, part 1201 of title 2 of the Code of Federal Regulations is proposed to be amended as follows:

12094 Federal Register / Vol. 80, No. 44 / Friday, March 6, 2015 / Proposed Rules

PART 1201—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

1. The authority citation for part 1201 continues to read:


2. Add § 1201.319 to read as follows:

§1201.319 Competition.

Notwithstanding 2 CFR 200.319, non-Federal entities may utilize geographic hiring preferences (including local hiring preferences) pertaining to the use of labor on a project consistent with such non-Federal entities’ policies and procedures, when not otherwise prohibited by Federal statute or regulation.

[FR Doc. 2015–05215 Filed 3–5–15; 8:45 am]

BILLING CODE 4910–9X–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39


RIN 2120–AA64

Airworthiness Directives; Airbus Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: We propose to adopt a new airworthiness directive (AD) for all Airbus Model A318, A319, A320, and A321 series airplanes. This proposed AD was prompted by reports of airspeed indication discrepancies while flying at high altitudes in inclement weather. This proposed AD would require replacing certain pitot probes on the captain, first officer, and standby sides with certain new pitot probes. We are proposing this AD to prevent airspeed indication discrepancies during inclement weather, which, depending on the prevailing altitude, could lead to unknown accumulation of ice crystals and consequent reduced controllability of the airplane.

DATES: We must receive comments on this proposed AD by April 20, 2015.

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 http://www.regulations.gov. Follow the instructions for submitting comments.
• Fax: 202–493–2251.
• 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, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this proposed AD, contact Airbus.

Airworthiness Office—EIAS, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France; telephone +33 5 61 93 36 96; fax +33 5 61 93 44 51; email account.airworth-eas@airbus.com; Internet http://www.airbus.com. You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

Examining the AD Docket

You may examine the AD docket on the Internet at http://www.regulations.gov by searching for and locating Docket No. FAA–2015–0250; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this proposed AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone 800–647–5527) is in the ADDRESSES section. Comments will be available in the AD docket shortly after receipt.

FOR FURTHER INFORMATION CONTACT:

SUPPLEMENTARY INFORMATION:

Comments Invited

We invite you to send any written relevant data, views, or arguments about this proposed AD. Send your comments to an address listed under the ADDRESSES section. Include “Docket No. FAA–2015–0250; Directorate Identifier 2014–NM–216–AD” at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy
aspects of this proposed AD. We will consider all comments received by the closing date and may amend this proposed AD based on those comments. We will post all comments we receive, without change, to http://www.regulations.gov, including any personal information you provide. We will also post a report summarizing each substantive verbal contact we receive about this proposed AD.

**Discussion**

The European Aviation Safety Agency (EASA), which is the Technical Authority for the Member States of the European Union, has issued EASA Airworthiness Directive 2014–0237R1, dated December 5, 2014 (referred to after this as the Mandatory Continuing Airworthiness Information, or “the MCAI”), to correct an unsafe condition for all Airbus Model A318, A319, A320, and A321 series airplanes. The MCAI states:

Occurrences have been reported on A320 family aeroplanes of airspeed indication discrepancies while flying at high altitudes in inclement weather conditions. Investigation results indicated that A320 aeroplanes equipped with Thales Avionics Part Number (P/N) 50620–10 or P/N C16195AA pitot probes appear to have a greater susceptibility to adverse environmental conditions that aeroplanes equipped with certain other pitot probes. Prompted by earlier occurrences, DGAC [Direction Générale de l’Aviation Civile] France issued [DGAC] AD 2001–362 [http://ad.easa.europa.eu/blob/easa_ad_2001_362.pdf/AD_2001-362] [which corresponds to paragraph (f) of FAA AD 2004–03–33, Amendment 39–13477 (69 FR 9936, March 3, 2004)] to require replacement of Thales (formerly known as Sextant) P/N 50620–10 pitot probes with Thales P/N C16195AA probes.

Since that [DGAC] AD was issued, Thales pitot probe P/N C15195BA was designed, which improved airspeed indication behavior in heavy rain conditions, but did not demonstrate the same level of robustness to withstand high-altitude ice crystals. Based on these findings, EASA have decided to implement replacement of the affected Thales [pitot] probes as a precautionary measure to improve the safety level of the affected aeroplanes.


The following related DGAC France ADs were also cancelled by EASA AD 2014–0237, without retaining any of their requirements:

- AD 01–227–021R1 [http://ad.easa.europa.eu/blob/easa_ad_91_227_021R1.pdf/AD_91_227_021R1], that required replacement of Titeflex hoses; and

Since EASA issued AD 2014–0237, it was brought to the Agency’s attention that Airbus modification (mod) 155737 was introduced to install Thales probes in production. This affects paragraph (4) of the [EASA] AD. For the reasons described above, this [EASA] AD is revised to amend paragraph (4), making reference to aeroplanes which are post-mod 25578, but also post-mod 155737, as a result of which they have Thales probes installed.


**Related Rulemaking**

On February 4, 2004, we issued AD 2004–03–33, Amendment 39–13477 (69 FR 9936, March 3, 2004), applicable to certain Airbus Model A300 B2 and B series airplanes; Model A300 B4–600, A300 B4–600R, and A300 F4–600R series airplanes; Model A310 series Airplanes; Model A319, A320, and A321 series airplanes; Model A330–301, –321, –322, –341, and –342 airplanes; and Model A340 series airplanes. That AD requires, among other actions, replacement of certain pitot probes with certain new pitot probes. That AD was issued to prevent loss or fluctuation of indicated airspeed, which could result in misleading information being provided to the flightcrew.

**Related Service Information Under 1 CFR Part 51**

Airbus has issued Service Bulletin A320–34–1170, Revision 28, dated September 1, 2014; Service Bulletin A320–34–1456, Revision 01, dated May 15, 2012; and Service Bulletin A320–34–1463, Revision 01, dated May 15, 2012. The service information describes procedures for replacing certain Thales Avionics pitot probes on the captain, first officer, and standby sides with certain other Goodrich pitot probes. The actions described in this service information are intended to correct the unsafe condition identified in the MCAI. This service information is reasonably available; see ADDRESSES for ways to access this service information.

**FAA’s Determination and Requirements of This Proposed AD**

This product has been approved by the aviation authority of another country, and is approved for operation in the United States. Pursuant to our bilateral agreement with the State of Design Authority, we have been notified of the unsafe condition described in the MCAI and service information referenced above. We are proposing this AD because we evaluated all pertinent information and determined an unsafe condition exists and is likely to exist or develop on other products of these same type designs.

**Difference Between This Proposed AD and the MCAI or Service Information**

The EASA MCAI specifies that installation of a pitot probe approved after the effective date of the EASA AD, and compliant with the “new EASA icing requirements,” is equal to compliance with the requirements in paragraph (b) of this proposed AD, provided the part is approved by EASA or Airbus’s EASA Design Organization Approval (DOA). However, this proposed AD does not include that requirement because EASA regulations do not apply to airplanes type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29).

Paragraph (1) of the MCAI requires replacement of Thales part number (P/N) 50620–10 pitot probes with Thales P/N C16195AA pitot probes. However, that action is not included in this proposed AD. Paragraph (f) of AD 2004–03–33, Amendment 39–13477 (69 FR 9936, March 3, 2004), requires that action.

**Costs of Compliance**

We estimate that this proposed AD affects 953 airplanes of U.S. registry. We also estimate that it would take about 4 work-hours per product to comply with the basic requirements of this proposed AD. The average labor rate is $85 per work-hour. Required parts would cost about $21,930 per product. Based on these figures, we estimate the cost of this proposed AD on U.S. operators to be $21,223,310, or $22,270 per product.

**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.

We are 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.

Regulatory Findings

We determined that this proposed AD would not have federalism implications under Executive Order 13132. This proposed AD 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.

For the reasons discussed above, I certify 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);
3. Will not affect intrastate aviation in Alaska; and
4. 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.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

The Proposed Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA proposes to amend 14 CFR part 39 as follows:

PART 39—AIRWORTHINESS DIRECTIVES

§ 39.13 [Amended]

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

1. The FAA amends § 39.13 by adding the following new airworthiness directive (AD):

Airbus: Docket No. FAA–2015–0250;
 Directorate Identifier 2014–NM–216–AD.

(a) Comments Due Date
We must receive comments by April 20, 2015.

(b) Affected ADs

(c) Applicability
This AD applies to the airplanes identified in paragraphs (c)(1), (c)(2), (c)(3), and (c)(4) of this AD, certified in any category, all manufacturer serial numbers.


(d) Subject
Air Transport Association (ATA) of America Code 34, Navigation.

(e) Reason
This AD was prompted by reports of airspeed indication discrepancies while flying at high altitudes in inclement weather. We are issuing this AD to prevent airspeed indication discrepancies during inclement weather, which, depending on the prevailing altitude, could lead to unknown accumulation of ice crystals and consequent reduced controllability of the airplane.

(f) Compliance
Comply with this AD within the compliance times specified, unless already done.

(g) Replacement of Pitot Probes
Within 48 months after the effective date of this AD: Replace any Thales pitot probe having part number (P/N) C16195AA or P/N C16195BA, with a Goodrich pitot probe having P/N 0851HL, in accordance with the Accomplishment Instructions of Airbus Service Bulletin A320–34–1170, Revision 28, dated September 1, 2014. Accomplishing the replacement in this paragraph terminates the requirements of paragraph (f) of AD 2004–03–33, Amendment 39–13477 (69 FR 9936, March 3, 2004), for that airplane only.

(h) Methods of Compliance for Replacement

(1) Replacement of the pitot probes in accordance with the Accomplishment Instructions of Airbus Service Bulletin A320–34–1456, Revision 01, dated May 15, 2012 (pitot probes on the captain and standby sides); and Airbus Service Bulletin A320–34–1463, Revision 01, dated May 15, 2012 (pitot probes on the first officer side); is an acceptable method of compliance with the requirements of paragraph (g) of this AD.

(2) Airplanes on which Airbus Modification 25578 was embodied in production, except for post-modification 25578 airplanes on which Airbus Modification 155737 (installation of Thales pitot probes) was also embodied in production, are compliant with the requirements of paragraph (g) of this AD.

(i) Credit for Previous Actions

(1) This paragraph provides credit for the actions required by paragraph (g) of this AD, if those actions were performed before the effective date of this AD using the service information identified in paragraph (i)(1) through (i)(1)(xxiv) of this AD. This service information is not incorporated by reference in this AD.


(2) This paragraph provides credit for the replacement of pitot probes on the captain and standby sides specified in paragraph (h)(1) of this AD, if those actions were performed before the effective date of this AD using Airbus Service Bulletin A320–34–1456, dated December 2, 2009, which is not incorporated by reference in this AD.

(3) This paragraph provides credit for the replacement of pitot probes on the first officer side specified in paragraph (h)(1) of this AD, if those actions were performed before the effective date of this AD using Airbus Service Bulletin A320–34–1463, dated March 9, 2010, which is not incorporated by reference in this AD.

(j) Parts Installation Limitations

(1) At the applicable time specified in paragraph (j)(1)(i) or (j)(1)(ii) of this AD, no person may install on any airplane a Thales pitot probe having P/N C16195AA or P/N C16195BA.
(i) For airplanes with a Thales pitot probe having P/N C16195AA or P/N C16195BA installed: After accomplishing the replacement required by paragraph (g) of this AD.

(ii) For airplanes without a Thales pitot probe having P/N C16195AA or P/N C16195BA installed: As of the effective date of this AD.

(2) As of the effective date of this AD, no person may install on any airplane a Thales pitot probe having part number P/N 50620–10.

(k) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) Alternative Methods of Compliance (AMOCs): The Manager, International Branch, ANM–116, Transport Airplane Directorate, FAA, has the authority to approve AMOCs for this AD, if requested using 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 International Branch, send it to ATTN: Sanjay Kalhan, Aerospace Engineer, International Branch, ANM–116, Transport Airplane Directorate, FAA, 1601 Lind Avenue SW., Renton, WA 98057–3356; telephone 425–227–1405; fax 425–227–1149. Information may be emailed to: 9-ANM-116-AMOC-REQUESTS@faa.gov. 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. The AMOC approval letter must specifically reference this AD.

(2) Contacting the Manufacturer: For any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the Manager, International Branch, ANM–116, Transport Airplane Directorate, FAA, or the European Aviation Safety Agency (EASA); or Airbus’s EASA Design Organization Approval (DOA). If approved by the DOA, the approval must include the DOA-authorized signature.

(I) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) EASA Airworthiness Directive 2014–0237R1, dated December 5, 2014, for related information. This MCAI may be found in the AD docket on the Internet at http://www.regulations.gov by searching for and locating Docket No. FAA–2015–0250.

(2) For service information identified in this AD, contact Airbus, Airworthiness Office—EIAS, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France; telephone +33 5 61 93 36 96; fax +33 5 61 93 44 51; email account.airworth-eas@airbus.com; Internet http://www.airbus.com. You may view this service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

Issued in Renton, Washington, on February 19, 2015.

John P. Piccola, Jr.,
Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2015–04495 Filed 3–5–15; 8:45 am]
BILLING CODE 4910–13–P

DEPARTMENT OF THE TREASURY
Internal Revenue Service

26 CFR Part 1
[REG–100400–14]
RIN 1545–BM14

Guidance Regarding Reporting Income and Deductions of a Corporation That Becomes or Ceases To Be a Member of a Consolidated Group

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document contains proposed amendments to the consolidated return regulations. These proposed regulations would revise the rules for reporting certain items of income and deduction that are reportable on the day a corporation joins or leaves a consolidated group. The proposed regulations would affect such corporations and the consolidated groups that they join or leave.

DATES: Written or electronic comments and requests for a public hearing must be received by June 4, 2015.

ADDRESSES: Send submissions to: CC:PA:LPD:PR (REG–100400–14), Room 5203, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand-delivered Monday through Friday between the hours of 8 a.m. and 4 p.m. to CC:PA:LPD:PR (REG–100400–14), Courier’s Desk, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC, or sent electronically via the Federal eRulemaking Portal at http://www.regulations.gov/ (IRS REG–100400–14).

FOR FURTHER INFORMATION CONTACT: Concerning the proposed regulations, Russell G. Jones, (202) 317–6847; concerning the submission of comments or to request a public hearing, Oluwafunmilayo (Funmil) P. Taylor, (202) 317–6001 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background and Explanation of Provisions

1. Introduction

This notice of proposed rulemaking contains proposed regulations that amend 26 CFR part 1 under section 1502 of the Internal Revenue Code (Code). Section 1502 authorizes the Secretary to prescribe regulations for corporations that join in filing a consolidated return, and it expressly provides that those rules may be different from the provisions of chapter 1 of subtitle A of the Code that would apply if those corporations filed separate returns. Terms used in the consolidated return regulations generally are defined in § 1.1502–1.

These proposed regulations provide guidance under § 1.1502–76, which prescribes rules for determining the taxable period in which items of income, gain, deduction, loss, and credit (tax items) of a corporation that joins in filing a consolidated return are included. Section 1.1502–76(b) provides, in part, that if a corporation (S) becomes or ceases to be a member of a consolidated group during a consolidated return year, S must include in the consolidated return its tax items for the period during which it is a member. S also may file a separate return (including a consolidated return of another group) that includes its items for the period during which it is not a member.

2. Prior and Current Regulations

On September 8, 1966, the IRS and the Treasury Department promulgated regulations under § 1.1502–76 in TD 6894, 31 FR 11794 (1966 regulations). Section 1.1502–76(b) of the 1966 regulations was silent regarding the treatment of S’s tax items that accrued on the day S became or ceased to be a member of a consolidated group (S’s change in status). Thus, whether S’s tax items for the day of S’s change in status should have been reflected on S’s tax return for the short period ending with S’s change in status, or whether these tax items should have been reflected instead on S’s tax return for the short period beginning after S’s change in status, was unclear under the 1966 regulations.

On August 15, 1994, the IRS and the Treasury Department published final regulations (TD 8560; 59 FR 41666) under § 1.1502–76(b) (current regulations) that revised the 1966 regulations to eliminate uncertainty regarding the treatment of tax items recognized by S on the day of S’s change in status. Under the general rule of § 1.1502–76(b)(1)(i)(A)(1) of the current regulations (current end of the day rule), S is treated for all federal income tax purposes as becoming or ceasing to be a member of a consolidated group at the end of the day of S’s change in status, and S’s tax items that are reportable on