

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.

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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: Docket 99–NM–343–AD.

Applicability: Model A319, A320, and A321 series airplanes; manufacturer serial numbers through 0875 inclusive; certificated in any category; except those on which Airbus Service Bulletin A320–32–1189, dated December 23, 1998, has not 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 prevent cracking of the sliding tube subassembly of the main landing gear (MLG), which could result in collapse of the MLG, accomplish the following:

Inspections

(a) Within 500 flight hours after the effective date of this AD, perform a detailed visual inspection to detect cracking of the left-hand and right-hand MLG sliding tube subassemblies, in accordance with paragraph 2.B.(1) of the Accomplishment Instructions of Airbus Service Bulletin A320–32–1189, dated December 23, 1998.

(1) If no crack is found, repeat the inspection at intervals not to exceed 500 flight hours, until the requirements of

paragraph (b) of this AD have been accomplished.

(2) If any crack is found, prior to further flight, replace the sliding tube subassembly with a new subassembly, in accordance with the service bulletin. Thereafter, repeat the inspection at intervals not to exceed 500 flight hours, until the requirements of paragraph (b) of this AD have been accomplished.

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) Within 15 months after the effective date of this AD: Remove the jacking dome, the stop washer, the jacking dome bushing, and the harness supports; and perform detailed visual inspections to detect discrepancies (including cracking of the left and right MLG sliding tube subassemblies, and overheat damage of the jacking dome bushing), in accordance with paragraph 2.B.(2) of the Accomplishment Instructions of Airbus Service Bulletin A320–32–1189, dated December 23, 1998. Accomplishment of the requirements of this paragraph constitutes terminating action for the requirements of paragraph (a) of this AD.

(1) If no discrepancy is found, prior to further flight, install a new stop washer and jacking dome bushing, in accordance with the service bulletin. No further action is required by this AD.

(2) If any discrepancy is found, prior to further flight, repair in accordance with a method approved by the Manager, International Branch, ANM–116, FAA, Transport Airplane Directorate; or the Direction Generale de l’Aviation Civile (DGAC) (or its delegated agent). For a repair method to be approved by the Manager, International Branch, ANM–116, as required by this paragraph, the Manager’s approval letter must specifically reference this AD.

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 §§ 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 1999–358–137(B) R1, dated October 20, 1999.

Issued in Renton, Washington, on February 9, 2000.

Donald L. Riggins,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 00–3533 Filed 2–14–00; 8:45 am]

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DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 8

RIN 2900–AJ35

Cash Value for National Service Life Insurance (NSLI) Term Capped Policies

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

SUMMARY: This document proposes to amend the Department of Veterans’ Affairs (VA) regulations, regarding National Service Life Insurance (NSLI) and Veterans Special Life Insurance (VSLI) by providing cash values for NSLI and VSLI term capped policies and further providing the options to receive either the cash value in a lump sum or to purchase paid-up insurance upon the termination of the contract before maturity.

DATES: Comments must be received on or before March 16, 2000.

ADDRESSES: Mail or hand-deliver written comments to: Director, Office of Regulations Management (02D), Department of Veterans Affairs, 810 Vermont Avenue, NW, Washington, DC 20420. Comments should indicate that they are in response to “RIN 2900–AJ35”. All written comments received will be available for public inspection at the above address in the Office of Regulations Management, Room 1158, between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday (except holidays).

FOR FURTHER INFORMATION CONTACT:

George Poole, Chief of Insurance Program Administration and Oversight, PO Box 8079, Philadelphia, Pennsylvania 19101, (215) 842–2000, ext. 4286; (215) 842–2000, ext. 5012 (voicemail); (215) 381–3502 (fax); or e-mail at “issgpool@VBA.VA.GOV”.

SUPPLEMENTARY INFORMATION: Currently, approximately one percent of term capped policies are canceled each year by lapse or request and these

policyholders do not receive any value reserved to their policies. Any reserves no longer necessary to be held for canceled policies are redirected to surplus and distributed to the remaining term policyholders as dividends.

Term capped policyholders who reach age 96 are afforded the full face value of their policies because the mortality table upon which their premiums are based (American Experience Mortality Table) effectively matures these policies at age 96. Yet, if a policyholder cancels coverage at age 95, he or she would not receive any value. In order to remedy this, we are proposing to add section 8.37 to provide cash values for these term capped policies, which is in accordance with the practices in the commercial insurance industry.

Sufficient reserves have been established, not only to fund that NSLI "V" and VSLI "RS" 5-year level premium term rates so that they do not exceed their respective renewal age 70 premium rates (term capped policies), but also to provide cash values to these term premium capped policies. As illustrative of the reserves previously established to provide for cash values, at age 85, a "V" term capped policyholder with a \$10,000 policy would accumulate \$4,786 in cash value. We also believe that "V" and "RS" policyholders whose policies are canceled should be afforded the option to receive the cash value in a lump sum or to use that value to purchase paid-up insurance. This will afford policyholders the opportunity to retain some of the life insurance coverage which they may have had since the beginning of WWII. At age 85, a "V" policyholder who has accumulated \$4,786 in cash value could purchase \$6,109 in paid-up insurance.

The Secretary of Veterans' Affairs hereby certifies that this proposed rule will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act (RFA), 5 U.S.C. 601–602. Pursuant to 5 U.S.C. 605(b), this proposed rule is, therefore, exempt from the initial and final regulatory flexibility analysis requirement of sections 603 and 604. The proposed regulation will affect only government life insurance policyholders. It will therefore have no significant direct impact on small entities in the terms of compliance costs, paperwork requirements or effects on competition.

The catalog of Federal Domestic Assistance Program number for this regulation is 64.103.

List of Subjects in 38 CFR Part 8

Disability benefits, Life insurance, Loan programs—veterans, Military personnel, Veterans.

Approved: February 3, 2000.

Togo D. West, Jr.,

Secretary of Veterans' Affairs.

For the reasons set out in the preamble, 38 CFR part 8 is proposed to be amended as set forth below:

PART 8—NATIONAL SERVICE LIFE INSURANCE

1. The authority citation for part 8 continues to read as follows:

Authority: U.S.C. 501, 1901–1929, 1981–1988, unless otherwise noted.

2. Section 8.37 is added to read as follows:

§ 8.37 Cash value for term capped policies.

(a) *What is a term capped policy?* A term capped policy is a National Service Life Insurance policy prefixed with "V" or Veterans Special Life Insurance policy prefixed with "RS," issued on a 5-year level premium term plan in which premiums have been capped (frozen) at the renewal age 70 rate.

(b) *How can a term capped policy accrue cash value?* Normally, a policy issued on a 5-year level premium term plan does not accrue cash value (see § 8.14). However, notwithstanding any other provisions of this part, reserves have been established to provide for cash value for term capped policies.

(c) *On what basis have the reserve values been established?* Reserve values have been established based upon the 1980 Commissioners Standard Ordinary Basic Table and interest at five per centum per annum in accordance with accepted actuarial practices.

(d) *How much cash value does a term capped policy have?* The cash value for each policy will depend on the age of the insured, the type of policy, and the amount of coverage in force and will be calculated in accordance with accepted actuarial practices. For illustrative purposes, below are some examples of cash values based upon a \$10,000 policy at various attained ages for a NSLI "V" policy and a VSLI "RS" policy:

Age	Cash value "V"	Cash Value "RS"
75	\$1,494	\$1,716
80	3,212	3,358
85	4,786	4,818
90	6,249	6,217
95	8,887	7,286

(e) *What can be done with this cash value?* Upon cancellation or lapse of the

policy, a policyholder may receive the cash value in a lump sum or may use the cash value to purchase paid-up insurance. If a term capped policy is kept in force, cash values will continue to grow.

(f) *How much paid-up insurance can be obtained for the cash value?* The amount of paid-up insurance that can be purchased will depend on the amount of cash value that the policy has accrued and will be calculated in accordance with accepted actuarial practices. For illustrative purposes, below are some examples of paid-up insurance that could be purchased by the cash value of a "V" and "RS" \$10,000 policy at various attained ages:

Age	Paid-up "V" insurance	Paid-up "RS" insurance
75	\$2,284	\$2,625
80	4,452	4,654
85	6,109	6,149
90	7,421	7,115
95	9,331	7,650

(g) *If the policy lapses due to non-payment of the premium, does the policyholder nonetheless have a choice of receiving the cash value or paid-up insurance?* Yes, the policyholder will have that choice, along with the option to reinstate the policy (see § 8.10 for reinstatement of a policy). However, if a policyholder does not make a selection, VA will apply the cash value to purchase paid-up insurance. Paid-up insurance may be surrendered for cash at any time.

(h) *If a policyholder elects to receive either the cash surrender or paid-up insurance due to lapse or voluntary cancellation of a term capped policy, may the original term capped policy be reinstated?* Yes, the term capped policy may be reinstated but the policyholder, in addition to meeting the reinstatement requirements of term policies, must also pay the current reserve value of the reinstated policy.

(Authority: 38 U.S.C. 1906)

[FR Doc. 00–3454 Filed 2–14–00; 8:45 am]

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DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 20

RIN 2900–AJ58

Board of Veterans' Appeals: Rules of Practice—Subpoenas

AGENCY: Department of Veterans Affairs.

ACTION: Proposed rule.