The law also authorizes the City of Mountain View to sell or lease any of its property to the Community and to buy or otherwise acquire land from the Community.

(2) Land for the park project has been acquired by the City through the use of $1,500,000 of its own funds augmented by a grant of $1,175,000 from the Department of the Interior and $600,000 from the County of Santa Clara. It consists principally of low-lying marshland and marginal agricultural land. Redevelopment for park purposes will require extensive land fill. All the solid waste collected in San Francisco for the next 5 years is expected to be used for this purpose. Contracts entered into with the City of San Francisco and other contractors are expected to permit site preparation required for the park to be accomplished without cost to the Community or to the City of Mountain View. In addition, these contracts provide that the Community will receive a fee per ton of solid waste delivered to the park which can be used to assist in the financing of further development.

(3) The Community is issuing these bonds to finance the City's land acquisition cost. For this purpose, the land acquired by the City will be leased to the Community and the park project will be leased back to the City. Under the lease rental agreement, the City has unconditionally promised to pay annual rentals to the Community in an amount sufficient to meet annual interest and principal payments on these bonds as well as other necessary expenses. The City has also agreed that to meet this undertaking it will if necessary levy a special public park acquisition and improvement tax, which is levied in the same manner as the property taxes but is not subject to charter tax rate limitations. The City, which possesses general powers of taxation, has thus committed its faith and credit in support of the bonds.

(c) *Ruling.* It is our conclusion that the $1,950,000 Mountain View Shoreline Regional Park Community, Park Facilities No. 1 Bonds, Series A, are general obligations of a State or a political subdivision thereof under paragraph Seventh of 12 U.S.C. 24 and accordingly are eligible for purchase, dealing in, underwriting, and unlimited holding by national banks. (Comptroller's letter dated Apr. 22, 1970.)

§ 1.259 Santa Maria Airport Authority (California).

(a) *Request.* The Comptroller of the Currency has been requested to rule on the eligibility of the $1,600,000 Santa Maria Airport Authority, Airport Facilities Revenue Bonds for purchase, dealing in, underwriting, and unlimited holding by national banks under paragraph Seventh of 12 U.S.C. 24.

(b) *Opinion.* (1) The Santa Maria Airport Authority is a public entity created under the laws of California by an agreement between the City of Santa Maria and the Santa Maria Public Airport District. Under this agreement, the Authority is authorized to acquire, construct, and lease public airports and related facilities, and to issue bonds to finance such projects. The Authority is issuing these bonds for the purpose of financing the construction of an administration building and terminal building with passenger lobby facilities, space for two commercial air carriers, rental car facilities, restaurant facilities, and space for general airport concessions. The completed project will be leased to and operated by the District.

(2) The District is a body corporate and politic created pursuant to the laws of California with power to acquire, construct, maintain, operate, and lease public airports and related facilities and having responsibility for the development of airport facilities within a district consisting of 450 square miles in northern Santa Barbara County including the cities of Santa Maria and Guadalupe. The District is managed by elected directors and is financed in part by taxes levied upon all taxable property within the District.

(3) The District, as required by its agreement with the City, has unconditionally promised in the lease rental agreement to pay annual rentals to the Authority in an amount sufficient to meet annual interest and principal payments on these bonds, as well as other necessary expenses. The District, which possesses general powers of taxation, has thus committed its faith and credit in support of the bonds.

(c) *Opinion.* It is our conclusion that the $1,600,000 Santa Maria Airport Authority, Airport Facilities Revenue Bonds are general obligations of a State or a political subdivision thereof under paragraph Seventh of 12 U.S.C. 24 and accordingly are eligible for purchase, dealing in, underwriting, and unlimited holding by national banks. (Acting Comptroller's letter dated May 6, 1970.)

§ 1.260 Water and Sewer Improvement Bonds, Series 1970, of the Northwest Houston Water Supply Corp.

(a) *Request.* The Comptroller of the Currency has been requested to rule on the eligibility of the $5,500,000 Water and Sewer Improvement Bonds, Series 1970, of the Northwest Houston Water Supply Corp. for purchase, dealing in, underwriting, and unlimited holding by national banks under paragraph Seventh of 12 U.S.C. 24.

(b) *Opinion.* (1) The Northwest Houston Water Supply Corp. was organized at the request and for the benefit of the City of Houston as a nonprofit water supply corporation under a provision of Texas law which authorizes the formation of such a corporation for the exclusive purpose of furnishing a water supply or sewer service or both to cities and others. The Corporation is authorized to issue bonds to finance the acquisition of water and sewer projects. A city is authorized by law to enter into a contract for the purchase of water and sewer systems from such a corporation and to agree to make periodic payments to the corporation in amounts which together with other income of the corporation will be sufficient to pay the principal of and interest on the bonds of the corporation. The law also authorizes a city to provide for the levying of a tax to make such payments.

(2) The Corporation has entered into a contract with the City of Houston under which the Corporation will finance and construct a water and sewer system for section 2 of a suburban area immediately adjacent to the City and the City will annex section 2 of the area and purchase the system. Construction of the project will be assisted by a federal grant of $1,500,000. The Corporation is issuing these bonds to finance the remaining costs. The Corporation has issued $2,200,000, Series 1967 bonds, to finance the construction of a water and sewer system for section 1 of the same general area under substantially the same circumstances.

(3) In the purchase contract, the City has unconditionally promised to make periodic payments to the Corporation in amounts which will be sufficient to pay the principal of and interest on these bonds. The contract also provides that the periodic payments shall be payable from a continuing, direct annual ad valorem tax on all taxable property in the City sufficient to make such payments in each year and the City has by ordinance levied such a tax. The City which possesses general powers of taxation has thus committed its faith and credit in support of the bonds.

(c) *Ruling.* It is our conclusion, in accordance with our ruling of December 7, 1967 (§ 1.203) relating to the Series 1967 bonds, that the $5,500,000 Water and Sewer Improvement Bonds, Series 1970, of the Northwest Houston Water Supply Corp. are general obligations of a State or a political subdivision thereof under paragraph Seventh of 12 U.S.C. 24 and accordingly are eligible for purchase, dealing in, underwriting, and unlimited holding by national banks. (Acting Comptroller's letter dated May 7, 1970.)

Dated: May 11, 1970.

[SEAL] WILLIAM B. CAMP,
Comptroller of the Currency.

[F.R. Doc. 70-5981; Filed, May 14, 1970; 8:49 a.m.]

Chapter II—Federal Reserve System

SUBCHAPTER A—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

[Reg. Z]

PART 226—TRUTH IN LENDING

Exemption of Certain State Regulated Transactions

1. Effective June 1, 1970, Supplement III to Regulation Z (§ 226.12—Supplement) is amended by adding paragraph (c) as follows:

(c) *Oklahoma.* Except as provided in § 226.12(c), all classes of credit transactions within the State of Oklahoma are hereby granted an exemption from the requirements of chapter 2 of the Truth in Lending Act effective June 1, 1970, with the following exceptions:

(1) Transactions in which a federally chartered institution is a creditor;

(2) Consumer credit sales of insurance by an insurer;

(3) Transactions under common carrier tariffs in which the charges for the services involved, the charge for delayed payment and any discount allowed for early payment are regulated by a subdivision or agency of the United States or the State of Oklahoma; and

(4) Transactions in which a licensed pawnbroker is a creditor.

2a. The purpose of this amendment is to exempt certain credit transactions in the State of Oklahoma from the requirements of chapter 2 of the Truth in Lending Act (title I of the Consumer Credit Protection Act, 15 U.S.C. 1601ff).

b. Pursuant to the provisions of 12 CFR 226.12 (Supplement II to Part 226 (Regulation Z)), the State of Okahoma applied to the Board for an exemption from the Truth in Lending Act; notice of receipt of the application was published in the FEDERAL REGISTER of January 7, 1970 (35 F.R. 245). The Board granted this exemption after consideration of all relevant material, including communications from interested persons. The effective date of the exemption was deferred for less than the 30-day period referred to in section 553(d) of title 5, United States Code. The Board found that the amendment essentially involves no change in a substantive rule and deferral of the date beyond that adopted by the Board would serve no useful purpose.

By order of the Board of Governors, May 6, 1970.

[SEAL] KENNETH A. KENYON,
Deputy Secretary.

[F.R. Doc. 70-5934; Filed, May 14, 1970; 8:45 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Administration, Department of Transportation

[Airworthiness Docket No. 70-WE-7-AD; Amdt. 39-988]

PART 39—AIRWORTHINESS DIRECTIVES

Sprague Engineering Accumulator Assemblies, P/N A-200-25 and A-200-50

A proposal to amend Part 39 of the Federal Aviation Regulations to include an airworthiness directive requiring replacement of aluminum hydraulic accumulator end caps with steel end caps within the next 3,000 hours' time in service after the effective date of the AD, unless already accomplished on civil aircraft certificated in all categories including but not limited to the Boeing Models 707/720/737 aircraft and Convair Model 22 aircraft with the Sprague Engineering Accumulator Assemblies, P/N A-200-25 and A-200-50 installed, was published in 35 F.R. 4263.

Interested persons have been afforded an opportunity to participate in the making of the amendment. Comments were received, objecting to the inclusion of Convair Model 22 aircraft in the AD, and to the 3000-hour compliance time. As the assemblies are distributed generally, and the agency is informed that the assembly has been installed on these aircraft, and perhaps other models, the applicability statement is written to include all installations. Also, as the failures are predicated upon cyclic fatigue, and have occurred within the previously allowed use time, the compliance time is established to preclude similar occurrences. Finally additional recent instances have been reported since the issuance of the notice.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (31 F.R. 13697), § 39.13 of Part 39 of the Federal Aviation Regulations is amended by adding the following new airworthiness directive:

SPRAGUE ENGINEERING. Applies to all civil aircraft certificated in all categories including, but not limited to the Boeing Models 707/720/737 aircraft and Convair Model 22 aircraft with the Sprague Engneering Accumulator Assemblies, P/N A-200-25 and A-200-50 installed.

Compliance required within the next 3,000 hours' time in service after the effective date of this AD, unless already accomplished.

To prevent hydraulic accumulator end cap failure due to cyclic fatigue and subsequent explosive hazard to personnel, structure and surrounding equipment, as well as loss of hydraulic system fluid and pressure, accomplish the following:

Replace the aluminum end caps on Sprague Accumulator Assemblies, P/N A-200-25 and -50, with steel end caps, Sprague P/N 60257-2 (oil end cap) and P/N 60257-3 (air end cap), in accordance with the instructions of Sprague Engineering Modification Bulletin No. 2, dated March 28, 1969, or later FAA-approved revisions, and Sprague Overhaul Instructions with Parts Breakdown, Accumulator Assembly, A-200 Series, dated September 1967, or an equivalent installation and replacement approved by the Chief, Aircraft Engineering Division, FAA Western Region.

This amendment becomes effective May 16, 1970.

(Secs. 313(a), 601, and 603, Federal Aviation Act of 1958, 49 U.S.C. 1354(a), 1421, and 1423; sec. 6(c) Department of Transportation Act, 49 U.S.C. 1655(c))

Issued in Los Angeles, Calif., on May 5, 1970.

LYNN L. HINK,
Acting Director,
FAA Western Region.

[F.R. Doc. 70-5964; Filed, May 14, 1970; 8:48 a.m.]

[Airworthiness Docket No. 70-WE-17-AD; Amdt. 39-989]

PART 39—AIRWORTHINESS DIRECTIVES

Boeing Model 707 and 720 Series Airplanes

There have been reported failures of the nose gear door emergency release crank arm Part No. 65-7195-5. One such failure prevented emergency extension of the nose gear and resulted in a nose gear up landing. Since this condition is likely to develop in other model 707 and 720 airplanes, an airworthiness directive is being issued to require inspection and modification of the nose gear emergency extension system.

Since a situation exists that requires immediate adoption of this regulation, it is found that notice and public procedure hereon are impracticable and good cause exists for making this amendment effective upon publication in the FEDERAL REGISTER.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (31 F.R. 13697), section 39.13 of Part 39 of the Federal Aviation Regulations is amended by adding the following new airworthiness directive:

BOEING. Applies to Model 707 and 720 series airplanes listed in Boeing Service Bulletin 2108 Revision 1 dated December 28, 1965.

Within 200 hours' time in service after effective date of this AD and after each emergency extension, inspect crank arm 65-7195 and pulley bracket 69-1087 for cracks and measure cable tension in accordance with instructions contained in the 707/720 maintenance manual. Inspections may be discontinued after modification indicated below is accomplished.

Within 2,500 hours' time in service after effective date of this AD, unless already accomplished modify all airplanes in accordance with Boeing Service Bulletins 2108 Revision I dated December 28, 1965, and 2108A, dated May 24, 1965, or later FAA-approved revisions to these service bulletins or an equivalent modification approved by the Chief, Aircraft Engineering Division, FAA, Western Region.

This amendment becomes effective May 16, 1970.

(Secs. 313(a), 601, and 603, Federal Aviation Act of 1958, 49 U.S.C. 1354(a), 1421, and 1423; sec. 6(c), Department of Transportation Act, 49 U.S.C. 1655(c))

Issued in Los Angeles, Calif., on May 6, 1970.

LEE E. WARREN,
Acting Director,
FAA Western Region.

[F.R. Doc. 70-5965; Filed, May 14, 1970; 8:48 a.m.]

[Docket No. 70-CE-5-AD; Amdt. 39-990]

PART 39—AIRWORTHINESS DIRECTIVES

Cessna Models 172I and K Airplanes

There have been fatigue failures of the metal oil pressure instrument line which is routed between the engine crankcase and the firewall on Cessna Models 172I and K airplanes. This type of failure has caused engine oil to be pumped overboard resulting in internal engine damage and subsequent forced landing. Since this condition is likely to exist or develop in other airplanes of the same type design, an airworthiness directive is being issued requiring, within 10 hours' time in service after the effective date of the AD, replacement of the metal oil pressure instrument line with a flexible hose assembly on Cessna Models 172I and K aircraft in accordance with Cessna Service Letter No. SE70-10, dated May 5, 1970.