longer be able to take advantage of reducing the required number of experience hours by exchanging one hour of supervised operating experience for one landing and takeoff. Thus, for the 5 PIC candidates, this will result in a cost of \$1,600 (5×25 hours×10%×\$127/ hr). Two PICs would not complete their consolidation within the 120-day period and require a supervised line observation flight by a check pilot at a cost of \$248 ( $2\times2$  hours $\times$ \$62/hr); one pilot would require refresher training at a cost of \$381 (1×3 hours×\$127). The costs of compliance to these carriers will be \$8,600, which is less than the \$110,100 threshold cost for a significant impact under the regulatory flexibility guidelines described above. Thus, the rule will not have a significant economic impact on a substantial number of these small entities.

Using the same methodology to estimate the cost for a small entity owning 9 turboprop airplanes and employing 54 pilots, 2 PICs would need 10 hours of additional transition operating experience at a cost of \$1,100  $(2\times10\times$55/hr)$ . These pilots would also not be able to reduce the number of hours of supervised operating experience at a cost of \$275 (2×25 hours×10%×\$55/hr). One pilot would not complete consolidation of their learning within 120 days and require a line observation flight at a cost of \$30  $(1\times2 \text{ hrs}\times\$15)$ , and 1 pilot needing refresher training at a cost of \$165 (1×3 hrs×\$55). The FAA estimates that the total cost to a small turboprop-owned air carrier will be \$1,570 per year, which is less than the \$61,600 threshold for a scheduled air carrier operating planes with less than 60 seats. Thus, the rule will not have a significant economic impact on a substantial number of these small entities.

Finally, a small entity owning 9 reciprocating engine airplanes and employing 54 pilots, 2 PICs would need 10 hours of additional transition operating experience at a cost of \$1,100  $(2 \times 10 \times \$55/hr)$ . These pilots would also not be able to reduce the number of hours of supervised operating experience at a cost of \$275 ( $2 \times 25$ hours  $\times$  10%  $\times$  \$55/hr). One pilot would not complete consolidation of their learning within 120 days and require a line observation flight at a cost of \$30  $(1 \times 2 \text{ hrs} \times \$15)$ , and 1 pilot needing refresher training at a cost of \$165 ( $1 \times$ 3 hrs  $\times$  \$55). The FAA estimates that the total cost to a small turboprop-owned air carrier will be \$1,570 per year, which is less than the \$4,300 for small unscheduled carriers. Thus, the rule will not have a significant economic

impact on a substantial number of these small entities.

## **International Trade Impact**

The final rule will have little impact on international trade. U.S. air carriers operating in international markets would incur some additional costs, primarily for supervised operating experience requirements, whereas foreign air carriers operating in the same markets will not be affected by the final rule. If the cost of the final rule (i.e., \$33.4 million over the next 10 years) were borne entirely by U.S. carriers serving international markets, the cost would still represent a negligible amount of the international passenger revenues compared to the \$280 billion forecast to be collected between 1993 and 2002.

## International Civil Aviation Organization and Joint Aviation Regulations

In keeping with U.S. obligations under the Convention on International Civil Aviation, it is FAA policy to comply with ICAO Standards and Recommended Practices (SARP) to the maximum extent practicable. For this final rule, the FAA reviewed the SARP of Annex 6, applicable to pilot training for commercial air transportation operations. The FAA has determined that these amendments would not present any differences. The SARP are more general than the FAR, with much of the pilot training to be determined by the State of the Operator.

In reviewing the JAR, the FAA finds that regulations exist that are similar to this final rule, though they are less specific. JAR–OPS 1.945 addresses Conversion Training and Checking. Paragraph (e) of that section states "Once a conversion course has been started a crew member shall not undertake flying duties on another type or variant until the course is completed or terminated."

## Federalism Implications

The regulations herein would not have substantial direct effects 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. Therefore, in accordance with Executive Order 12612, it is determined that this regulation will not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

### **Conclusion**

For the reasons discussed in the preamble, and based on the findings in

the Regulatory Flexibility Determination and the International Trade Impact Analysis, the FAA has determined that this regulation is a significant regulatory action under Executive Order 12866. In addition, the FAA certifies that this regulation 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. This regulation is considered significant under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979). A final regulatory evaluation of the regulation, including a Regulatory Flexibility **Determination and Trade Impact** Analysis, has been placed in the docket. A copy may be obtained by contacting the person identified under FOR FURTHER INFORMATION CONTACT.

# List of Subjects in 14 CFR Part 121

Air safety, Air transportation, Aviation safety, Drug abuse, Narcotics, Safety, and Transportation.

#### The Amendment

The Federal Aviation Administration amends part 121 of the Federal Aviation Regulations (14 CFR 121) as follows:

# PART 121—CERTIFICATION AND OPERATIONS: DOMESTIC, FLAG, AND SUPPLEMENTAL AIR CARRIERS AND COMMERCIAL OPERATORS OF LARGE AIRCRAFT

1. The authority citation for part 121 continues to read as follows:

**Authority:** 49 U.S.C. App. 1354(a), 1355, 1356, 1357, 1401, 1421–1430, 1472, 1485, and 1502; 49 U.S.C. 106(g).

2. Section 121.431(b) is revised to read as follows:

# § 121.431 Applicability.

\* \* \* \* \*

(b) For the purpose of this subpart, the airplane groups and terms and definitions prescribed in § 121.400 and the following definitions apply:

Consolidation is the process by which a person through practice and practical experience increases proficiency in newly acquired knowledge and skills.

Line operating flight time is flight time performed in operations under this part.

Operating cycle is a complete flight segment consisting of a takeoff, climb, enroute portion, descent, and a landing.

3. Section 121.434 is amended by revising the heading; removing the flush paragraph at the end of paragraph (b); removing the words "the certificate holder's approved training program includes a course of training in an airplane simulator under § 121.409(c)