direct services with a change of equipment no CRS except System One gives them a preference over other international on-line connecting services. Moreover, out CRS rules allow vendors to include change-of-gauge services with connecting services on a nondiscriminatory basis.

Effects on Foreign Air Carriers: Several commenters argue that we should ban multiple change-of-gauge services because they disproportionately harm foreign air carriers and because, in violation of various bilateral agreements, they deprive foreign air carriers of a fair and equal opportunity to compete. As we found in the CRS rulemaking, however, "the right to a fair and equal opportunity to compete does not guarantee foreign air carriers the exact same opportunities that U.S. carriers have. [citations omitted]. U.S. and foreign carriers must each contend with the practical advantages of route structure and market identity that competing carriers have within their own countries." Computer Reservations System (CRS) Regulations, Final Rule, supra, at 43892-43893 ("Prescribed Algorithm''). For example, any one foreign carrier can generally offer change-of-gauge and on-line connecting service to the United States from far more points behind its homeland gateways than any U.S. carrier can serve. Cf. id. at 43803 ("On-Line Preference"). Furthermore, in an era of increasing code-sharing arrangements between U.S. and foreign air carriersarrangements which enable the participants to offer the equivalent of change-of-gauge and on-line service between U.S. and foreign points behind and beyond the participants' gateways foreign carriers now have additional opportunities to compete at interior-U.S. points. See Disclosure of Code-Sharing Arrangements and Long-term Wet Leases, Notice of Proposed Rulemaking, supra, 59 FR at 40837.

Request for Comments

We invite comments not only on the merits of our proposed disclosure requirements but also on the feasibility and costs of implementing them. Comments should be supported by concrete data. Any economic analysis should contain enough detail to allow the Department to make an independent evaluation of the position advocated.

Regulatory Analyses and Notices

The Department has determined that this action is not a significant regulatory action under Executive Order 12866 or under the Department's Regulatory Policies and Procedures. The Department has placed a regulatory evaluation that examines the estimated costs and effects of the proposal in the docket.

The Department certifies that this rule, if adopted, would not have a significant economic effect on a substantial number of small entities. Although many ticket agents and some air carriers are small entities, the Department believes that the costs of notification will be minimal. The Department seeks comment on whether there are effects on small entities that should be considered. If comments provide information that there are significant effects on small entities, the Department will prepare a regulatory flexibility analysis at the final rule stage.

The Department does not believe that the proposed rule has sufficient federalism implications to warrant the preparation of a federalism assessment.

Paperwork Reduction Act

The proposed rule does not contain information collection requirements that require approval by the Office of Management and Budget under the Paperwork Reduction Act (44 U.S.C. 2507 *et seq.*).

List of Subjects in 14 CFR Part 258

Air carriers, Foreign air carriers, Ticket agents, and Consumer protection.

For the reasons set forth in the preamble, the Department proposes to amend Title 14, Chapter II, Subchapter A by adding a new Part 258, to read as follows:

PART 258—DISCLOSURE OF CHANGE-OF-GAUGE SERVICES

Sec.

- 258.1 Purpose.
- 258.2 Applicability.
- 257.3 Definitions.

258.4 Unfair and Deceptive Practice.

258.5 Notice Requirement.

Authority: 49 U.S.C. 40113(a) and 41712.

§258.1 Purpose.

The purpose of this part is to ensure that consumers are adequately informed before they book air transportation or embark on travel involving change-ofgauge services that these services require a change of aircraft *en route*.

§258.2 Applicability.

This rule applies to the following: (a) direct air carriers and foreign air carriers that sell or issue tickets in the United States for scheduled passenger air transportation on change-of-gauge services or that operate such transportation; and

(b) ticket agents doing business in the United States that sell or issue tickets for scheduled passenger air transportation on change-of-gauge services.

§258.3 Definitions.

(a) *Air transportation* has the meaning ascribed to it in 49 U.S.C. § 40102(5).

(b) *Carrier* means any air carrier or foreign air carrier as defined in 49 U.S.C. 40102(2) or U.S.C. 40102(21), respectively, that engages directly in scheduled passenger air transportation.

(c) *Change-of-gauge service* means a service that requires a change of aircraft *en route* but has only a single flight number.

(d) *Ticket agent* has the meaning ascribed to it in 49 U.S.C. 40102(40).

§258.4 Unfair and deceptive practice.

The holding out or sale of scheduled passenger air transportation that involves change-of-gauge service is prohibited as an unfair or deceptive practice or an unfair method of competition within the meaning of 49 U.S.C. § 41712 unless, in conjunction with such holding out or sale, carriers and ticket agents follow the requirements of this part.

§258.5 Notice requirement.

(a) Notice in Schedules. Carriers operating-of-gauge services to, from, or within the United States shall ensure that in the written and electronic schedule information they provide to the public, to the Official Airline Guide and comparable publications, and to computer reservations systems, these services are shown as requiring a change of aircraft.

(b) Oral Notice to Prospective Consumers. In any direct oral communication with a consumer in the United States concerning a change-ofgauge service, any carrier or ticket agent doing business in the United States shall tell the consumer before booking scheduled passenger air transportation to, from, or within the United States that the service requires a change of aircraft *en route.*

(c) *Written Notice*. At the time of sale in the United States of a change-ofgauge service, the selling carrier or ticket agent shall provide written notice stating the following:

Notice: Change of Aircraft Required

For at least one of your flights, you must change aircraft *en route* even though your ticket may show only one flight number and have only one flight coupon for that flight. Further, in the case of some travel, one of your flights may not be identified at the airport by the number on your ticket, or it may be identified by other flight numbers in addition to the one on your ticket. At your request, the seller of this ticket will give you details of your change of aircraft, such as

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