history records checks by all airport and air carrier employers. The FAA estimates that, in 1995, 194,000 employees will apply for unescorted SIDA access privilege. Between 1995 and 2004, the total cost of the new requirements will range from \$6.2 to \$16.2 million. The discounted cost ranges from \$4.3 to \$11.1 million.

Because aviation security requires an intricate set of interlocking measures, the benefits ascribed to this final rule derive from strengthening the U.S. civil aviation security network. By enhancing the civil aviation security network, this final rule decreases the possibility that a deadly and costly terrorist or criminal act will occur. This final rule assures a greater measure of safety through tighter screening of individuals applying for jobs requiring unescorted secure area access. Specifically, this final rule reduces the civil aviation security risk by further assuring that persons who have committed certain crimes do not have access to airport secure areas.

The FAA has determined that the final rule provides sufficient additional security to make it cost beneficial.

The rule will have a negligible impact on international trade. Also, the proposed regulatory action will not have a significant economic impact on a substantial number of small entities.

Final Regulatory Flexibility Determination

The Regulatory Flexibility Act of 1980 (RFA) helps to assure that Federal regulations do not overly burden small businesses, nonprofit organizations, and small cities. The RFA requires regulatory agencies to review rules which may have "a significant economic impact on a substantial number of small entities." A substantial number of small entities, defined by FAA Order 2100.14A—"Regulatory Flexibility Criteria and Guidance,' ' is more than one-third, but not less than eleven, of the small entities subject to the existing rule. To determine if the rule will impose a significant cost impact on these small entities, the annualized cost imposed on them must not exceed the annualized cost threshold established in FAA Order 2100.14A.

Small entities potentially affected by the rule are small airports, air carriers, fixed-base operators, and catering companies. However, many of the requirements of the rule are already standard procedures for some of these entities; and the cost of a criminal history records check is minimal because so few employers are expected to utilize it for their applicants. The FAA estimates the average cost of upgrading an employee verification is \$15.00. This estimate incorporates the cost of a criminal history records checks.

Aircraft Repair Facilities: FAA Order 2100.14A defines small aircraft repair facilities as those with 200 employees or less. The FAA has estimated the cost threshold for small operators to be \$4,130 in 1992 dollars. To exceed this threshold, a facility would have to hire 275 employees (\$4,130/\$15.00) per year. This means that the facility would have to regularly employ 786 persons (assuming a 35 percent turnover rate: 275/.35). If a firm employed that many people, it would be a small entity since it is over the size threshold of 200 employees.

Caterers: The FAA evaluates small caterers as aircraft repair facilities since FAA Order 2100.14A does not define a threshold for caterers. This order defines the criteria as 200 employees or less for the size threshold and \$4,130 for the cost threshold. Hence, like the aircraft repair facilities, in order to exceed the cost threshold, caterers would have to employ 786 persons, which would exceed the size threshold of 200 employees.

In conclusion, the rule will not impose a significant impact on a substantial number of small entities.

Federalism Implications

This rule does 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. Most airports covered by the rule are public entities (state and local governments). However, relatively few of the covered individuals are actually employed by the airport operator, and most of the costs for the required investigations would be borne by the airport tenants and air carriers. Thus, the overall impact is not substantial within the meaning of Executive Order 12612. Therefore, in accordance with that Executive Order, it is determined that this rule would not have sufficient Federal implications to warrant the preparation of a Federalism Assessment.

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 International Civil Aviation Authority Standards and Recommended Practices to the maximum extent practicable. The FAA is not aware of any differences that this final rule will present.

Paperwork Reduction Act

Under the requirements of the Federal Paperwork Reduction Act, the Office of Management and Budget has approved the information collection burden for this rule under OMB Approval Number 2120–0564. For further information contact: The Information Requirements Division, M–34, Office of the Secretary of Transportation, 400 Seventh Street, SW., Washington, D.C., 20590, (202) 366–4375 or Edward Clarke or Wayne Brough, Office of Management and Budget, New Executive Office Building, Room 3228, Washington D.C., 20503, (202) 395–7340.

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 rule is a significant regulatory action under Executive Order 12866. This rule will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act but is considered significant under DOT **Regulatory Policies and Procedures (44** FR 11034; February 26, 1979). The regulatory evaluation for this rule, including a Regulatory Flexibility Determination and International 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 Parts 107 and 108

Air carriers, Air Transportation, Airlines, Airplanes operator security, Aviation safety, Security measures, Transportation, Weapons.

The Rule Amendments

In consideration of the foregoing, the Federal Aviation Administration amends parts 107 and 108 of the Federal Aviation Regulations (14 CFR parts 107 and 108) as follows:

PART 107—AIRPORT SECURITY

1. The authority citation for Part 107 is revised to read as follows:

Authority: 49 U.S.C. 106(g); 5103, 40113, 40119, 44701–44702, 44706, 44901–44905, 44907, 44913–44914, 44932, 44935–44936, 46105.

2. In part 107, § 107.1 paragraphs (b)(3) through (b)(5) are redesignated as paragraphs (b)(4) through (b)(6), and