

Final Regulatory Determination

The FAA identified 39 part 121 operators who operate 9 or fewer aircraft. In addition, the FAA identified another 9 operators who are split certificate holders and operate under both parts 121 and 135. For this analysis the FAA determined that the split certificate holders are currently operating under the higher level of safety required under the part 121 requirements. The FAA determined that, on average, the crew on these aircraft consist of one pilot-in-command, one second-in-command, and three flight attendants. Also, these operators will likely employ two crews per airplane. The FAA determined that in the first year (1996) two PICs, two SICs, and six flight attendants will receive initial training. In the next three years (1997–1999), these crewmembers will receive recurrent training. In the fifth year (2000), there will be a turnover in the crew: 1 PIC, 1 SIC, and 2 flight attendants will be replaced by new employees who will need initial training. Over the following three years (2001–2003), all crewmembers will receive recurrent training. The next year (2004), there will again be a turnover in employees. And, in the final year (2005), the crewmembers will receive recurrent training. The discounted cost over the ten-year period for the part 121 requirements will be about \$15,800 per aircraft, or about \$2,250 annualized. An operator owning nine airplanes will incur an annualized cost of about \$20,252. Thus, a part 121 operator will be able to own at least nine aircraft and remain below the annualized cost threshold of \$67,800 for small scheduled operators. The FAA has also determined that part 121 CRM training costs will not impose a significant burden on a substantial number of large scheduled part 121 operators which have a higher threshold of \$110,100.

The FAA identified twenty part 135 scheduled operators that own 9 or fewer aircraft (which require two pilots or have 10 or more passenger seats). The discounted cost for part 135 flight crew upgrade and CRM training will be about \$53,332, or about \$7,593 annualized. Of this amount, CRM training accounts for about \$15,362 discounted, or about \$2,187 annualized, and flight crew upgrade training accounts for \$37,970 discounted, or about \$5,406 annualized. This estimate is based on an average of two crews per aircraft with each crew consisting of a PIC, a SIC, and two flight attendants. This estimate includes initial training and recurrent training over the ten year period. Training costs for large scheduled part 135 operators

with 9 airplanes ($9 \times \$7,593 = \$68,337$) will not exceed the threshold for these operators (\$121,300). However, training costs for small scheduled part 135 operators with more than 8 aircraft will exceed the threshold cost ($8 \times \$7,593 = \$60,744$). FAA data show that only one of the 20 affected small part 135 operators operate nine aircraft. As this number is less than 11, it does not meet the definition of a "substantial number." Therefore, the FAA has determined that the rule will not have a significant economic impact on a substantial number of small part 135 operators.

International Trade Impact Statement

The FAA has determined that this rule will not constitute barriers to international trade, including the export of U.S. goods and services to foreign countries and the import of foreign goods and services into the United States.

Federalism Implications

These regulations do 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 various levels of government. Thus, in accordance with Executive Order 12612, it is determined that such a regulation does not have federalism implications warranting the preparation of a Federalism Assessment.

Paperwork Reduction Act

The reporting and recordkeeping requirement associated with this rule was approved by the Office of Management and Budget (OMB) in accordance with 44 U.S.C. Chapter 35; there are no changes associated with the paperwork burden of this rule. Therefore, the burden associated with this rule stands cleared under OMB control number 2120–0591.

Conclusion

For the reasons set forth under the heading "Regulatory Analysis," the FAA has determined that this regulation: (1) Is a significant rule under Executive Order 12866; and (2) is a significant rule under Department of Transportation Regulatory Policies and Procedures (44 FR 11034; February 26, 1979). Also, for the reasons stated under the headings "Trade Impact Statement" and "Regulatory Flexibility Determination," the FAA certifies that this rule will not have a significant economic impact on a substantial number of small entities. A copy of the full regulatory evaluation is filed in the docket and may also be obtained by

contacting the person listed under **FOR FURTHER INFORMATION CONTACT**.

List of Subjects

14 CFR Part 121

Air carriers, Aircraft, Airmen, Air safety, Air transportation, Aviation safety, Drug abuse, Drug testing, Narcotics, Reporting and recordkeeping requirements, Safety, Transportation.

14 CFR Part 135

Air carriers, Aircraft, Airmen, Air taxis, Air transportation, Airworthiness, Aviation safety, Reporting and recordkeeping requirements, Safety.

The Amendment

The Federal Aviation Administration amends parts 121 and 135 of the Federal Aviation Regulations [14 CFR parts 121 and 135] 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 is revised to read as follows:

Authority: 49 U.S.C. 106(g), 40101, 40105, 40113, 44701–44702, and 44704–44705.

2. Section 121.135(b)(15) is revised to read as follows:

§ 121.135 Contents.

* * * * *

(b) * * *
(15) Each training program curriculum required by § 121.403.

* * * * *

3. Section 121.404 is revised to read as follows:

§ 121.404 Compliance dates: Crew and dispatcher resource management training.

After March 19, 1998, no certificate holder may use a person as a flight crewmember, and after March 19, 1999, no certificate holder may use a person as a flight attendant or aircraft dispatcher unless that person has completed approved crew resource management (CRM) or dispatcher resource management (DRM) initial training, as applicable, with that certificate holder or with another certificate holder.

4. Section 121.405 is amended by adding new paragraphs (f) and (g) to read as follows:

§ 121.405 Training program and revision: Initial and final approval.

* * * * *

(f) Each certificate holder described in § 135.3 (b) and (c) of this chapter must include the material required by