class ratings and, if required, an appropriate type rating for that airplane.

(2) Of a helicopter in a scheduled interstate air transportation operation by an air carrier within the 48 contiguous states unless that person holds an airline transport pilot certificate, appropriate type ratings, and an instrument rating.

* * * * *

§ 135.244 [Amended]

103. Section 135.244(a) is amended by revising the phrase ''by a Commuter Air Carrier (as defined in § 298.2 of this title) in passenger-carrying operations'' to read ''in a commuter operation, as defined in part 119 of this chapter.''

Issued in Washington, D.C. on December 12, 1995.

Federico Peña,

Secretary of Transportation.

David R. Hinson,

Administrator.

[FR Doc. 95–30545 Filed 12–14–95; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Parts 121 and 135

[Docket No. 27993; Amdt No. 121–250, 135–57]

RIN 2120–AC79

Air Carrier and Commercial Operator Training Programs

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This document amends the training and qualification requirements for certain air carriers and commercial operators by requiring certain certificate holders operating under part 135, and permitting certain others, to comply with part 121 training, checking, and qualification requirements, and mandating Crew Resource Management (CRM) training requirements for part 121 and 135 operators. The FAA is amending these rules in order to make certain part 135 training requirements as comprehensive as part 121 requirements and to incorporate recent knowledge about human performance factors. The rule also allows certain part 135 certificate holders to take advantage of sophisticated aircraft simulator training technologies presently available to part 121 certificate holders. By increasing the training and qualification requirements for certain operators, the rule is intended to reduce the risk of accidents and incidents. By mandating CRM training for certificate holders required to comply with part 121 training requirements, the rule is also intended to reduce the number of accidents and incidents that could be attributed to a lack of crew communication and coordination.

EFFECTIVE DATE: March 19, 1996.

FOR FURTHER INFORMATION CONTACT: Mr. Larry Youngblut, Project Development Branch (AFS–240), Air Transportation Division, Flight Standards Service, Federal Aviation Administration, 800 Independence Avenue, SW, Washington, DC 20591; telephone (202) 267–8096.

SUPPLEMENTARY INFORMATION:

Availability of the Rule

Any person may obtain a copy of this rule by submitting a request to the Federal Aviation Administration, Office of Public Affairs, Attention: Public Inquiry Center (APA–230), 800 Independence Avenue, SW., Washington, DC 20591, or by calling (202) 267–3484. Requests must identify the amendment number and title of this rule.

Background

Parts 121 and 135 of Title 14 of the code of Federal Regulations contain rules that specify training program requirements for air carriers and certain commercial operators. Those rules specify the qualification requirements of crewmembers, flight and simulator instructors, check airmen, aircraft dispatchers, and other operations personnel. The most detailed and rigorous training and qualification requirements are those contained in subparts N and O of part 121. Although subparts N and O have been amended a number of times in recent years, most of the amendments concern the use of simulators, training devices, or specific training requirements such as security and the transportation of hazardous materials. No comprehensive changes have been made to these subparts since December 1969.

The FAA's most immediate concerns regarding the training and qualification regulations in part 121 and part 135 are twofold. First, compared to part 121 training regulations, part 135 training regulations do not provide a balanced mix of training and checking. Part 121 training and qualification regulations require both recurrent training as well as recurrent flight checks. Although part 135 requires flight training, flight checks can be repeatedly substituted for required training. Second, current parts 121 and 135 training regulations do not incorporate recent knowledge about the significance of human performance factors (e.g., communication, decision-making, leadership, management), generally referred to as crew resource management (CRM), in safe flight operations.

In December, 1986, in response to a safety recommendation from the national Transportation Safety Board (NTSB), the FAA specifically addressed the human factors training issue by initiating an aviation behavioral technology program. This ongoing program consists of projects that, among other things, increase the use of line operational simulations (LOS) i.e. simulator training using a typical operational passenger flight scenario, in a controlled training environment designed to improve cockpit/cabin communication and coordination skills, and pilot decision-making skills.

In June, 1988, the NTSB issued safety recommendation A–88–71 concerning CRM training, as a result of a Northwest Airlines crash on August 16, 1987, in which 148 passengers, 6 crewmembers, and 2 people on the ground were killed. The NTSB noted that both pilots had received training only as individuals and not as an integral part of the cockpit crew during their last simulator training and proficiency checks. The last CRM training they had each received was 3.5 hours of ground school of general CRM training in 1983. The NTSB implied that the accident might have been prevented had the flight crew received adequate CRM training.

After soliciting ideas from other government agencies and from the aviation community, the FAA published a proposed Special Federal Aviation Regulation (SFAR) and an accompanying draft advisory circular (AC) in the Federal Register (54 FR 7670, February 22, 1989). These documents proposed a voluntary, alternative method of complying with the training requirements in current regulations. The voluntary alternative training is called an ''advanced qualification program'' (AQP). After considering comments received, the FAA issued a final SFAR 58, Advanced Qualification Program, and an accompanying Advisory Circular 120–54 (55 FR 40262, October 2, 1990). This voluntary program applies to certificate holders operating under part 121 or part 135 that elect the alternative requirements of AQP. The alternative requirement includes CRM training and evaluation, increased use of LOS, use of training centers, and the evaluation of flight training devices and flight simulators.

To date, the larger and more sophisticated air carriers have taken advantage of the voluntary program. The FAA expects this to be the case for the foreseeable future. However, the FAA recognizes that some operators, particularly smaller operators, may elect not to participate in the voluntary AQP program and will instead comply with current training requirements in parts 121 and 135; therefore, the FAA is amending the current training requirements of parts 121 and 135 to address the most immediate concerns regarding improved aircrew training and qualification standards. In particular, all certificate holders operating under part 121, and those certificate holders operating under part 135 who are authorized or required under this final rule to follow part 121 training and qualification requirements, are now also required by this rule to include CRM in their training programs.

Another recommendation from the National Transportation Safety Board (NTSB) was that commuter air carriers conducting operations under part 135 with airplanes that require two pilot crewmembers should also be required to comply with the training, checking, and qualification requirements of part 121.

Many regional air carriers operate under both a part 121 and a part 135 certificate because of the type of airplanes they fly. The FAA has encouraged these regional air carriers to train and qualify their pilots under part 121 rather than maintaining two separate training programs. Several of these air carriers have voluntarily required their pilots to be trained, checked, and qualified under part 121 or its equivalent.

The Rule

General Applicability

The amendments to part 121 apply to all certificate holders operating under part 121 and to all certificate holders operating under part 135 that are required to comply with the part 121 training and qualification requirements. The requirements also apply to certain part 135 certificate holders if they request and receive FAA authorization to comply with the part 121 training and qualification requirements.

Commuter Operations Conducted Under Part 135

Part 135 commuter operations serving small and medium sized communities carry millions of passengers every year. The Regional Airline Association (RAA), whose membership consists primarily of commuter air carriers, estimates that more than 61 million passengers will be carried by RAA member airlines in 1997. Comprehensive training requirements, including CRM training, are important to the safety of these operations. Part 121 training benefits these operations because it provides more emphasis on training, whereas current part 135 rules rely more heavily on the testing and checking requirements set forth in subparts G and H of part 135. Part 121 also allows greater use of simulators which results in two benefits:

(1) Under § 121.407(c), simulator training can be substituted for repetitive proficiency checks (§ 121.441) and certain recency requirements (§ 121.439). This allows for greater flexibility and a more effective mix of training and checking activities.

(2) Simulator training may include hazardous scenarios that would be imprudent to include in inflight training. Thus simulator training increases pilot proficiency in dealing with such situations.

Because subparts N and O emphasize both periodic simulator training and checking programs rather than the continuous checking and testing emphasis of subparts E, G, and H of part 135, this final rule requires the following certificate holders conducting commuter operations under part 135 to comply with the training, checking, and qualification requirements of part 121, subparts N and O, in place of the requirements of subparts E, G, and H of part 135: (1) Those that conduct commuter operations with airplanes for which two pilots are required by aircraft type certification rules, and (2) those that conduct commuter operations with airplanes having a passenger seating configuration, excluding any pilot seat, of 10 seats or more.

This final rule also allows the Administrator to authorize any other certificate holders that conduct operations under part 135 to comply with the training, checking, and qualification requirements of subparts N and O part 121. However, because of the size and complexity of the airplanes and the number and length of the flights conducted by these certificate holders, the FAA will permit these certificate holders to comply lower number of hours of operating experience under part 135 rather than those hours specified in § 121.434.

Each part 135 certificate holder that will comply with part 121 training requirements is required to submit and obtain FAA approval of a transition plan for converting from part 135 to the part 121 training and checking requirements. In that plan, the certificate holder should address issues such as: (1) Whether currently employed crewmembers need additional training to meet minimum part 121 training and qualification requirements; and (2) how the certificate holder's training curriculum will be modified, if necessary, to meet part 121 requirements.

Under § 121.405(g), as revised herein, a certificate holder may request a reduction in the programmed hours of ground training from the minimum hours required under present § 121.419. A reduction may be warranted in cases where a certificate holder shows that the airplanes it operates under part 135 are less complex than those generally operated under part 121. For this reason, certain part 135 certificate holders may have to modify their training program.

Crew Resource Management (CRM) Training

A major objective of this rule is to require all certificate holders operating under part 121 and those part 135 certificate holders who must comply with subparts N and O of part 121 as a result of this final rule to provide CRM training.

CRM training teaches crewmembers and aircraft dispatchers to use effectively all resources available to the crew (e.g. hardware, software, and all persons involved in aircraft operation) to achieve safe and efficient flight operations. Sections 121.404, 121.419(a)(1), 121.421(a)(1), 121.422(a)(1), and 121.427(b)(4) provide for the approval of CRM training and require CRM to be incorporated into ground training for flight crewmembers and aircraft dispatchers. Also, as part of this amendment, part 135 certificate holders who conduct training under part 121 must provide CRM training as part of their approved training programs.

The FAA anticipates that for a CRM training program to be approved, it would include three distinct components: (1) An indoctrination/awareness component, often called ''initial CRM training,'' during which CRM issues are defined and discussed; (2) a recurrent practice and feedback component during which trainees gain experience with CRM techniques; and (3) a continuing reinforcement component which ensures that CRM principles are addressed throughout the trainee's employment with the certificate holder. Advisory Circular (AC) 120–51B, as amended, ''Crew Resource Management Training,'' and AC 121–32, ''Dispatch Resource Management'' provide basic guidance in establishing approved CRM training. (In this amendment, the term ''CRM'' includes both crew resource

management and dispatcher resource management.) DOT/FAA/RD–92–26, ''Crew Resource Management: An Introductory Handbook,'' goes into further detail.

Section 121.404 includes initial CRM training for persons already employed by the certificate holder, and for new employees of the certificate holder, unless a new employee has completed the applicable initial CRM training from another certificate holder. The FAA anticipates that this component will be very similar for all certificate holders.

CRM initial indoctrination/awareness training is a curriculum segment with a variety of instructional methods, which can include lectures, discussions, films, practice in an operational setting or a line operational simulation (LOS) session, and feedback with a facilitator. CRM initial indoctrination/awareness training must be provided to all crewmembers and aircraft dispatchers; this training is in addition to existing training. Under § 121.406, the FAA may credit some crew resource management or dispatcher resource management (CRM/DRM) training received before the compliance date in the rule. Some operators have been providing CRM/DRM training under AQP or under voluntary programs. In appropriate circumstances, the FAA may credit part or all of such training toward the initial ground CRM/DRM training which is required by §§ 121.419, 121.421, and 121.422.

The recurrent practice and feedback component of CRM training is best accomplished through the use of simulators and video equipment. However, if the use of simulators is not practical, CRM scenarios can be created without simulators, and practice can be tape recorded to provide feedback. Feedback should be directed by a facilitator who has had appropriate CRM training. Practice and feedback provide participants with critiques by one's self and peers to improve communication, decision-making, and leadership skills.

Numerous comments concerning requiring minimum program hours for CRM training were submitted. Regarding these comments, the FAA has determined that specifying a minimum number of programmed hours for CRM training is not required. Rather, the FAA will consider instructional techniques, number of students in a class, the use of simulation, new training technology, the use of student feedback, the measurement of training outcomes, as well as the number of hours of training time in evaluating and approving CRM training programs.

Many certificate holders already have approved CRM programs that are highly effective. The number of hours in these programs vary, however, the FAA's experience with these highly successful CRM training programs indicates that the most effective programs contain approximately 12 hours for pilot initial CRM training and 8 hours for flight attendant initial CRM training. Recurrent training under these established programs contain approximately 4 hours for pilots and flight engineers and 2 hours for flight attendants and aircraft dispatchers. In this final rule, the increase in minimum programmed hours for initial and recurrent training as proposed in Notice 94–35 (59 FR 64272, December 13, 1994) has been removed. The FAA will consider each certificate holder's CRM training program based on the program's ability to reach the training objectives rather than requiring minimum programmed hours for this training.

Editorial Clarification

The change to § 121.135(b)(15) makes it clear that the certificate holder's manual must include the entire training program curriculum required under § 121.403, not just the program affecting airmen.

Effective Date and Compliance Dates

The FAA has established an effective date of March 19, 1996. By that date, certificate holders operating under part 135 who are required to comply with applicable part 121 training and qualification requirements, must submit the transition plan required under § 135.3. The compliance date for training and qualifying under part 121 rules is 1 year after the effective date of the final rule.

For initial CRM training, the FAA has established a compliance date 2 years after the effective date of the final rule for flight crewmembers, and 3 years after the effective date of the final rule for flight attendants and aircraft dispatchers. After the applicable date, a certificate holder is prohibited from using a crewmember or dispatcher unless that person has completed approved crew or dispatcher resource management initial training. Since a large number of certificate holder employees are required to have this training, the delayed compliance dates will allow sufficient time to train instructors conducting CRM training, and then, in turn, provide this training to all crewmembers and dispatchers.

Consideration of Comments to the NPRM

On December 13, 1994, the FAA proposed these changes in a Notice of Proposed Rulemaking 94–35 (59 FR 64272). Seventeen comments were received. The following is a discussion and the FAA's response to the substantive subject areas.

Improvements in Safety

Comment: The National Transportation Safety Board (NTSB) strongly supports this proposal. The Board believes that the proposal is responsive to a number of their safety recommendations regarding previously noted shortcomings in the human factors aspects of flightcrew performance. It specifically cites and supports the greater use of flight simulators, and actions taken to improve pilot operating experience in scheduled air carriers. The Board believes that the adoption of this proposal will contribute significantly toward improving the level of safety in commuter airline operations as well as major air carriers.

FAA Response: The FAA welcomes the comments of the NTSB, and has given them due consideration in the development of this final rule.

Crew Resource Management Training Program Content

Comments: A number of commenters address the proposed requirement to add a specific number of training hours to be devoted specifically to CRM training.

USAIR Express comments that it supports the addition of CRM, but the hours stated in the regulation should be planned hours rather than programmed hours, indicating that this would provide more flexibility depending on class size. Also, all the training should be proficiency based. Pilot initial training should be 8 hours; 6 hours for flight attendants and dispatchers.

An individual commenter states that he supports the addition of CRM training to the training curriculum and recommends a requirement for at least 5 hours of full motion simulator CRM training for both initial and recurrent training, in addition to 24 classroom hours of initial training. Recurrent CRM training should be conducted annually and include 16 classroom hours.

The Air Line Pilots' Association (ALPA) recommends that the programmed times stated in the NPRM should be considered minimums on which to build a comprehensive CRM training program.

The Coalition of Flight Attendant Unions provides a joint comment for a

number of flight attendant associations and concurs with the requirement of 8 hours for initial flight attendant training, but recommends an additional 2 hours be added to recurrent training, raising the requirement from 12 to 14 hours.

The Air Transport Association recommends that the FAA use a ''train to proficiency'' concept rather than specifying a certain number of hours for CRM training. This training should be integrated into other appropriate training.

Flight Safety International comments that the training should be ''objective based'' rather than specifying ''block hours.''

United Airlines (UAL) comments that it is in complete agreement with the proposal, except requiring programed hours. UAL states that ''the notion of programmed hours is bankrupt and that no training professional judges the adequacy of a training program by the number of hours spent on a given subject.''

The Regional Airline Association recommends removing the ''hard time'' requirement of a specific number of hours for CRM training and instead recommends that CRM training be integrated into the operator's existing training program in an appropriate manner.

FAA Response: As stated previously, the FAA has removed the requirement for minimum programmed hours for approved CRM training programs. The FAA agrees that CRM training should be objective-based rather than based on a specific number of required hours. Therefore, in complying with this final rule, each individual certificate holder's CRM training program will be evaluated on its design to reach its stated training objectives. In evaluating CRM training programs, the FAA will consider how these training objectives are met and how the certificate holder measures training outcomes. The FAA will consider instructional techniques, class size, the use of simulation, new training technology, overall quality of training, and most importantly, student/instructor feedback and other evaluation methods in determining the adequacy of CRM training programs. The FAA also agrees that the principles of CRM should be integrated into other appropriate training and that these principles be practiced routinely throughout other company flight operations.

Comment: The Department of Psychology of the University of Texas at Austin supports the proposal to add CRM training to the rule. However, they state that CRM training must be designed to the specific needs of the airline and its operating environment and that an evaluation of the human factors training must be included in each certificate holder's approved CRM program.

FAA Response: The FAA agrees with the commenter that CRM training programs should be designed to meet the specific needs of the certificate holder's operating environment and that a continuing assessment of the CRM training program should be accomplished to determine if the program is achieving its goals. Information on designing CRM programs that are specific to the needs of the certificate holder and its operating environment and the evaluation of the CRM training program are included in AC 120–51B. Also, § 121.405(d) allows the training program to be tailored to the individual operator.

Comment: USAIR Express comments that initial new-hire CRM training should be differentiated from initial, transition, and upgrade requirements. CRM training should also be integrated into other training rather than being a separate module in the general subjects section.

FAA Response: USAir Express states that initial new hire CRM training should differ from other CRM training. The FAA agrees that CRM training needs to be tailored to the needs of those being trained and guidance is provided on this subject in AC 120–51B. The FAA also agrees that CRM training principles should be incorporated into all the certificate holder's training. However, the principles of CRM must be learned first before they can be integrated into the certificate holder's entire operation.

Comment: An individual commenter recommends that CRM training be conducted for at least 3 hours in a full motion simulator.

FAA Response: Training in a full motion simulator would provide excellent training; however the FAA believes that mandating CRM training in a ''full motion'' simulator is not necessary to learn and practice CRM skills.

Comment: The Coalition of Flight Attendant Unions mentions that there is no provision to address giving or denying credit for training already accomplished if the employee changes carriers, for example, moving from a regional carrier to the parent carrier. The group also proposes rewriting § 121.421 (iii) to include wording from AC 120–51B which would ensure a minimum level of quality control.

FAA Response: Section 121.404 as adopted in this final rule provides that a flight attendant who receives initial training from one certificate holder does not have to repeat that training for another certificate holder.

The FAA does not agree with the commenter that the regulation as proposed should be rewritten to include the three CRM training phases as discussed in AC 120–51B, i.e., initial indoctrination and awareness, practice and feedback, and evaluation phases. An approved CRM training program should include the training objectives stated in the AC. However, the FAA believes there is more than one way to achieve these training objectives. Each certificate holder must determine the most practical and efficient way to meet the general training criteria stated in AC 120–51B.

Comment: The Air Transport Association (ATA) recommends reorganizing some of the proposed sections, generally consolidating them into other sections of the proposed rule; and provides a detailed rewrite of the § 121.423.

FAA Response: The FAA does not agree that the rule language should be rewritten under a new § 121.423, since it appears that ATA's rewrite basically provides training credit for CRM training received after the effective date of this final rule; this credit is already provided in § 121.406 which will be adopted as proposed.

Comment: Flight Safety International recommends that the rule include the requirement for assessment, design, and implementation of the CRM training program. The commenter provided a detailed discussion how to improve each of these facets.

FAA Response: The comments of Flight Safety International regarding the requirement for assessment, design and implementation of the CRM training program have merit and are addressed in AC 120–51B.

Comment: The Regional Airline Association generally supports the rule but recommends that the rule include specific reference to part 121, Appendices E, F, and H, and the record keeping requirements of § 121.683.

FAA Response: The FAA does not concur regarding the recommendation that the rule include specific reference to Appendices E, F, and H, which elaborate on flight maneuvers. The certificate holder may include CRM while training on flight maneuvers, but the FAA does not want to limit or mandate CRM during each specific training maneuver. Also, the FAA believes that the detailed record keeping requirements of § 135.63 are more than adequate for affected part 135 operators.

Comment: One individual commenter believes that CRM could not be defined; to attempt to do so, ''goes exactly against the spirit of CRM.'' Instead, he felt that the fightcrew should pursue ''a spontaneous program of people trying to discover ways to relate more harmoniously.'' Therefore, any effort to formalize CRM training was counterproductive.

FAA Response: The FAA does not agree with this commenter. CRM skills can be learned and improved by both formal training and the informal integration of CRM skills into the certificate holder's organizational culture.

Scope of CRM Training

Comment: One individual commenter and one professional association note that maintenance technicians were not addressed in the notice and recommend that there should be a proposed change to part 66 mandating CRM for maintenance technicians.

FAA Response: The FAA appreciates the comment. However, including maintenance technicians in this rule is outside the scope of the NPRM.

Comments: A number of commenters address the issue of the importance of the training given to those who are responsible to approve, conduct, and evaluate CRM training.

The Department of Psychology of the University of Texas at Austin feels that there should be provisions for specialized training of check pilots, flight instructors, and FAA Flight Standards personnel who must not only be aware of the concepts of CRM, but also must be able to debrief and instruct others in the facets of the program. The commenter also suggests that CRM principles and requirements be included in the airline's flight manuals.

USAIR Express comments that the FAA's Principal Operations Inspectors must be trained in detail to effectively assess and evaluate CRM training programs; otherwise, operators may have difficulty getting curriculum segments approved or getting credit for previously conducted training.

ALPA notes that the facilitators of CRM training must have the highest experience and qualifications to properly evaluate this training.

Flight Safety International emphasizes that instructors and check pilots need specialized training in CRM observation and debriefing skills.

The Regional Airline Association notes that FAA inspectors who are responsible for evaluating, approving, and monitoring the effectiveness of the operator's CRM programs will need additional training for this responsibility.

The Air Transport Association comments that the FAA should ensure that the inspectors who evaluate this program must be highly trained.

FAA Response: The FAA agrees with all these commenters. In addition to establishing a training course for POIs, the FAA has included information in the air carrier inspectors' handbook and AC 120–51B that provides guidance in the approval process. This information is also available to instructors and check pilots.

Compliance Period

Comments: The Department of Psychology of the University of Texas at Austin comments that the compliance period of 2 years for flight crews and 3 years for dispatchers and flight attendants seemed excessive and should be shortened.

The group of flight attendant associations recommends that the proposed compliance period of 2 years for pilots, and 3 years for flight attendants and dispatchers, be shortened to 1 year and 2 years respectively, based on the significance of the rule to the traveling public and its ease of implementation.

ALPA fully supports the proposal and strongly urges the FAA to implement the final rule at the earliest opportunity.

FAA Response: The FAA has adopted a compliance period of 2 years for over 76,000 flight crewmembers and 3 years for over 84,000 flight attendants and dispatchers who require initial CRM training. The FAA encourages certificate holders to develop an approved CRM training program and begin training as soon as possible. However, the FAA believes that to require total compliance in a shorter time than proposed could be a significant economic burden on some certificate holders because training would then have to be accomplished outside the normal, scheduled recurrent training cycle.

Comment Period

Comment: The Alaska Air Carriers' Association suggests extending the comment period to June 23, 1995 to be aligned with another proposal affecting commuter airlines in the area of aircraft certification and general operations.

FAA Response: This action is one in a series of on-going actions to improve the safety of commuter airlines. The effect of this rule is referenced in the recently published NPRM titled Commuter Operations and General Certification and Operations Requirements (60FR16230, March 29, 1995). However, the provisions of this rule are not significantly affected by the other actions proposed in subsequent NPRM's Therefore, this notice will be finalized with due consideration given to all comments received in the current comment period.

Economics

Comment: The Office of the Chief Counsel for Advocacy of the U.S. Small Business Administration believes that the FAA overestimated the benefits of CRM training for part 135 operators, mainly citing the belief that CRM training would not be 100% effective. Also, the commenter questions the FAA's position that the rule would not have a significant economic impact on a substantial number of small entities.

Comment: A group of flight attendant associations comments on the estimated cost of initial and recurrent CRM training for flight attendants, providing training costs and per diem information on nine representative carriers.

Comment: The National Air Transport Association expresses concern that, for all part 135 operators who operate aircraft with two pilot crews carrying 10 or more passengers, the proposal may be administratively and economically burdensome. Therefore the Association opposes the FAA proposal to mandate compliance with part 121 training standards. It feels that compliance with part 121 training, including CRM, should be voluntary for part 135 commuter carriers operating aircraft with 10 to 19 seats.

FAA Response: The FAA has reviewed the commenter's points and addressed them in the Regulatory Evaluation of the final rule.

Regulatory Evaluation Summary

This section summarizes the full regulatory evaluation that provides more detailed estimates of the economic consequences of this regulatory action. This summary and the full evaluation quantify, to the extent practicable, estimated costs and anticipated benefits to the private sector, consumers, and Federal, State, and local governments.

Proposed changes to federal regulations must undergo several economic analyses. First, Executive Order 12866 directs that each federal agency shall propose or adopt a regulation only upon a reasoned determination that the benefits of the intended regulation justify its costs. Second, the Regulatory Flexibility Act of 1980 requires agencies to analyze the economic effect of regulatory changes on small entities. Third, the Office of Management and Budget directs agencies to assess the effect of regulatory changes on international

trade. In conducting these analyses, the FAA has determined that this Final Rule would generate benefits that justify its costs and is a ''significant regulatory action'' as defined in the Executive Order. The FAA estimates that the Final Rule will not have a significant economic impact on a substantial number of small entities. No part of the rule is expected to constitute a barrier to international trade. These analyses are provided in the docket and are summarized below.

Response to Comments on the Original Regulatory Evaluation

Two interested parties submitted comments concerning the preliminary regulatory evaluation. Their comments and FAA's disposition are summarized below by subject area.

Wages

Comment: The Coalition of Flight Attendant Unions states that the $27 hourly compensation rate used for part 121 flight attendants seems ''excessive.''

FAA Response: In response to this comment, the FAA recalculated the hourly compensation rate for part 121 flight attendants based on the Future Aviation Professionals of America's (FAPA) *1994–1995 Flight Attendant Directory of Employers & Salary Survey*. These data support the $27 hourly compensation rate for flight attendants who have been employed for 5 years.

Initial Training

Comment: The Coalition of Flight Attendant Unions states that air carriers do not typically pay or provide benefits to flight attendants during initial training because the trainees are not yet employees. According to the commenter, the provision of lodging and meals during initial training varies among carriers. Many carriers will pay for lodging, some will pay for meals, some provide a small stipend, and some do not defray meal costs at all.

FAA Response: While the FAA agrees that airlines do not necessarily assume the full cost, the agency believes it is appropriate to consider the costs to others including the flight attendants themselves. The FAA believes that if a flight attendant were not attending a training session, the flight attendant would most likely be working at another job earning a wage rate comparable to that of a first year flight attendant. Accordingly, the FAA has calculated costs based on the full hourly compensation rate. The FAA estimates that a first year flight attendant earns hourly compensation of $18.00 for part 135 operators and $20 for part 121 operators. The FAA also estimates that flight attendant training will cost $125 per day for meals and lodging regardless of whether the operator or flight attendant absorbs these costs.

Recurrent Training

Comment: The Coalition of Flight Attendant Unions states that compensation during recurrent training varies among carriers. Some carriers pay no salary during training, while others pay a contractual level substantially below the working flight attendant rate, according to the commenter. Also, some carriers pay per diem while other do not. This commenter provided a brief summary of flight attendant training costs for selected major, national, and regional air carriers.

FAA Response: After reviewing this comment, the FAA has decided to use the compensation rate for a fifth-year flight attendant to compute the compensation rate for recurrent training ($23 for part 135 and $27 for part 121). Based on the discussion above, the evaluation assumes that flight attendants are compensated at their hourly flight rate. Per diem is estimated at $125, regardless of whether the airline or the flight attendant absorbs this cost.

Training Hours

Comment: The Coalition of Flight Attendant Unions states that, based on experience, reductions in training hours are routinely requested and are nearly as routinely granted. The commenter concludes that, following approval of credits and reductions, this rule could result in some carriers absorbing hourly requirements of CRM initial and recurrent training into existing initial and recurrent training programs.

FAA Response: The FAA recognizes this concern, but for purposes of this regulatory evaluation, the cost estimate is based on the average number of planned hours on which established programs are based. For some operators, therefore, such costs may be overstated.

CRM Training Benefits

Comment: The U.S. Small Business Administration (SBA) states that the FAA overestimated the benefits of CRM training for part 135 operators. The SBA states that the FAA assumed that such training would be 100 percent successful in eliminating accidents attributable at least in part to coordination problems. The SBA believes that this is an overly optimistic scenario and encourages the FAA to examine the accident rate of operators who already have CRM programs and use it as the basis for estimating benefits of the training.

The SBA further encourages the FAA to confirm whether the accident rate for part 135 operators resulting from crew coordination problems includes only accidents involving the types of aircraft affected by the rule. According to the commenter, the FAA did not specify whether the accidents involved were the types of part 135 aircraft subject to the rule. In contrast, in estimating the benefits of raising part 135 training to part 121 levels, the FAA specified that the accidents involving part 135 aircraft were of the type affected by the proposal. If the accident rate included part 135 aircraft other than the types covered by the proposed regulation, then the FAA would overestimate the proposal's benefits. For an accurate assessment of CRM's benefits, the FAA must confirm that the accident data used for estimating CRM's benefits is limited to the types of planes covered by the proposal for part 135 operators.

FAA Response: With respect to the comment on effectiveness, the FAA does not expect the rule to be 100 per cent effective. Based on our calculations, the part 135 CRM requirements need to reap only 4 per cent of the estimated benefits to be cost beneficial. The commenter is correct with respect to the accidents included. The final regulatory evaluation has been changed to consider only those accidents involving aircraft affected by this rule.

Regulatory Flexibility Analysis

Comment: The SBA states that the proposal's regulatory flexibility analysis is not in conformance with the Regulatory Flexibility Act (RFA). First, according to the commenter, the FAA did not provide the public with the opportunity to assess the FAA's justification for its criteria for evaluating the significance of a rule's economic impacts. Second, the FAA did not adhere to the procedures for establishing a small business definition different from the definition under § 3 of the Small Business Act. Prior to issuing a final rule, the FAA must make publicly available the development process it used for deriving the threshold criteria for judging the significance of the proposed regulation's economic impact on small entities. The FAA must also consult with the SBA on the use of its alternative small business definition and ask for public comment on the appropriateness of the alternative definition.

FAA Response: The FAA disagrees with this comment. The FAA extensively coordinated the subject criteria and definitions with the appropriate agencies. In 1982, the FAA

published in the Federal Register (47 FR 32825, July 29, 1982) an invitation for public comment on proposed definitions of small entities. At the time, the FAA also provided to the SBA materials on the proposed alternative definitions.

Costs

Part 121 Equivalent Training for Part 135 Crewmembers

The rule requires 121 training and qualification standards for part 135 crewmembers engaged in operations using airplanes certificated for two pilots or having 10 or more passenger seats. Newly hired part 135 pilots and flight attendants will be required to receive the initial part 121 training. Existing part 135 pilots and flight attendants will not need to repeat initial training but will be subject to recurrent training requirements. During their first recurrent training session, however, existing employees must meet the newly required part 121 training and qualifying standards.

Incremental training costs were determined as the difference between current and projected training costs. For example, the incremental cost of initial training was estimated to be $3,999 for a PIC and was determined by adding pilot compensation, travel and per diem, and other costs and subtracting current costs.

Initial training costs for PICs, SICs, and flight attendants will increase by about $230,000 per year. The cost for first year recurrent training for flight crewmembers will increase by $1.3 million because each currently employed crewmember will be required to meet the part 121 training and qualification standards. The cost for recurrent training after the first year will increase by $1.75 million.

The discounted incremental cost to part 135 operators over the ten year period is estimated to be about $17 million.

Part 121 CRM Training

The number of PICs, SICs, and flight engineers undergoing training during the two-year phase-in period equals 65 percent of the existing number of employees plus new hires (the FAA estimates that 35 percent of pilots are already receiving CRM training through the AQP). The cost for the initial two-year phase-in training will be approximately $7.5 million each year. The cost for initial CRM training after the phase-in period (which applies to new hires only) will be approximately $2 million. Recurrent training costs for existing employees will be about $17 million annually.

The number of flight attendants and dispatchers undergoing training during the three-year phase-in period equals the existing number of employees plus new hires. For flight attendants and dispatchers, initial training over the three-year phase-in period will cost about $4 million annually. Initial training after the third year for new hires will amount to approximately $3.5 million annually. Recurrent training for existing employees will cost about $6 million each year.

Over the ten-year period, the total discounted cost will equal about $230 million.

Part 135 CRM Training

CRM awareness training for pilots for the two-year phase-in period will cost approximately $300,000 per year. After the second year, initial training costs will equal about $67,000 each year. Annual recurrent training costs will be about $600,000.

Initial CRM awareness training for flight attendants will cost about $31,000 per year. The cost for initial training conducted after the phase-in period will equal about $12,000 annually. The annual cost for recurrent training will be about $23,000. Over the ten year period, discounted CRM training costs for the part 135 operators will equal about $6 million.

Total Cost

The total discounted cost of the rule will be approximately $253 million over the next 10 years. The cost of CRM training for part 121 operators accounts for the largest portion.

Benefits

Part 135 Training Upgrade

From 1984 through 1993, the NTSB concluded that pilot error was a probable cause of 30 accidents involving part 135 aircraft affected by this rule. (The accidents included in this analysis involved at least a serious injury or substantial airplane damage). Mid-air collisions and accidents due to bad weather are excluded because the training that will be required under this rule would not reduce those types of accidents.

The 30 accidents were responsible for 89 fatalities and 40 serious injuries. During this period, commuter operators flew 25.5 million flights resulting in a commuter accident due to pilot error of 1.1775 accidents per million commuter flights. The average value of avoiding such an accident is estimated to be $9.607 million.

In estimating the maximum potential value of the benefits, the FAA assumes that: (1) Because part 135 operators will not complete training for two years, no expected benefits will result after the first year and, at most, only one-half of the potential benefits will be achieved in the second year (full benefits will be achieved in the remaining years); and (2) the rule will not eliminate all pilot error accidents but will, at best, only reduce the part 135 pilot-error accident rate down to the rate sustained by part 121 operators. However, the FAA does not expect this rule to completely eliminate the differential in the pilot-error accident rate because the higher part 135 accident rate could be caused by factors other than pilot training; less pilot experience might also result in a higher pilot-error accident rate for part 135 operations.

The FAA estimated the value of potential benefits by multiplying the average value of a part 135 pilot-error related accident ($9.607 million) by the number of potential accidents (accident rate times projected flights). The value of potential benefits was then adjusted to equal the part 121 pilot-error accident rate. The pilot-error accident rate for part 121 airplanes was determined by conducting a search of the part 121 accident database. The FAA determined that this database contained 38 accidents in which pilot error was the probable cause. Given that part 121 airplanes flew 61.55 million flights during this period, the pilot-error accident rate is estimated to be 0.6174 accidents per million flights. By subtracting the part 121 accident rate from the part 135 accident rate [(1.1775 − 0.6174)=.5601], the available reduction in the part 135 accident rate is estimated to equal .56 accidents per one million flights.

Over the ten-year period, the estimated value of the benefits of this provision is about $196 million. When current practice is taken into consideration (30 percent of relevant pilots are already trained under part 121 under an RAA exemption), the ten-year, benefit of this provision is estimated to be $111 million.

Part 135 Crew Resource Management Training

During the period 1984 through 1993, crew coordination was a probable cause in 9 accidents involving part 135 aircraft affected by this rule. The 9 accidents were responsible for 45 fatalities and 7 serious injuries. During this period, commuter operators flew 25.5 million flights resulting in a commuter accident rate due to crew coordination problems of 0.3529 accidents per million

commuter flights. The average value of avoiding such an accident was estimated to be about $15.3 million. This estimated accident cost is considerably higher than the estimated accident cost used in the part 135 training upgrade benefit section. The difference results, in part, from the size of the samples. Thirty accidents were attributable to pilot error and only nine to crew coordination. The three high-cost accidents associated with crew coordination drive up the average cost of those accidents.

Initial training will begin in 1996 and continue through 1997. Therefore, the FAA assumes that full benefits cannot be achieved by this rule until 1998. The FAA estimates the value of benefits by multiplying the average value of a part 135 CRM-related accident ($15.3 million) by the number of potential accidents (accident rate times projected number of flights). Over the ten year period, the benefits of this provision are estimated at $163 million (discounted). However, the FAA expects to realize only some of these benefits by imposing this requirement.

Part 121 Crew Resource Management Training

During the period 1984 through 1993, crew coordination was a probable cause in 17 accidents involving part 121 aircraft. These 17 accidents resulted in 181 fatalities, 45 serious injuries, and 130 minor injuries. During this period, air carriers flew 61.55 million flights resulting in an air carrier accident rate due to crew coordination problems of 0.2762 accidents per million flights.

About two-thirds of the part 121 pilots will receive training during the first year and the remaining one-third of the pilots will complete the initial CRM training by the end of the second year. Thus, the FAA expects reduced benefits for the first two years. The annual, maximum potential benefits cannot be realized until 1998. The FAA estimates the maximum potential value of benefits by multiplying the average value of a part 121 CRM-related accident ($34.4 million) by the number of potential accidents (accident rate times flights).

Over the ten-year period, the estimated value of the benefits of this provision is about $305 million (discounted). Once again, the FAA expects to realize only some of these benefits by this proposed requirement.

Total Benefits

Benefits of this rule are estimated to total $579 million. The largest share of benefits, about $305 million, is attributed to part 121 CRM training. Part 135 CRM training and upgraded pilot training will account for about $163 million and $111 million, respectively.

Cost-Benefit Comparison

The FAA estimates that this rule will cost approximately $253 million over 10 years. The benefits are estimated to be $579 million. With respect to the part 135 flight crew training upgrade, the discounted training costs will be about $17 million, and the discounted value of the expected benefits is $111 million. With respect to part 135 CRM training, the discounted training costs will be about $6 million, and the discounted value of the expected benefits is $163 million. With respect to part 121 CRM training, the discounted training costs will be about $230 million, and the discounted value of the expected benefits is $305 million.

The estimated total cost of the rule has decreased significantly since the NPRM was published. Changes in assumptions—based on additional information about industry practice—were primarily responsible for the adjustments. The final analysis takes into consideration, for example, that 35 percent of part 121 pilots are already receiving and will continue to receive CRM training under AQP. It also takes into account that 30 percent of the part 135 pilots—those employed by dual-certificated operators—already train under part 121. Based on current information, the FAA has also adjusted its assumptions about new-hire rates and the costs of travel and instruction associated with training. In total, these adjustments lead to a lower estimated incremental cost of this rule.

To be cost beneficial, this rule does not have to be 100 percent effective in preventing the types of accidents that it is designed to prevent, nor does the FAA claim that these requirements will prevent all of the accidents for which this rule was designed. If the part 135 training upgrade is only 16 percent effective at preventing these accidents, then the benefits of this requirement will exceed the costs. CRM training for part 135 flight crews needs to be only 4 percent effective for the benefits to exceed the cost of that requirement. However, CRM training for part 121 flight crews needs to be over 75 percent effective for this requirement to be cost-beneficial.

The requirements for upgrading part 135 pilot training should be considered complementary to the proposed Commuter Rule (while the two CRM requirements are independent of the Commuter Rule). The goal of both the Commuter Rule and the part 135 training upgrade requirement is to reduce the accident rate of scheduled carriers operating 10-to-30-seat airplanes under part 135 to the existing part 121 accident rate. The benefits of the part 135 training upgrade requirement are part of the benefits estimated for the Commuter Rule, and they cannot be separated from that rule because it is not possible to determine which rule would have prevented a given accident. For example, individual accidents may be prevented by any one of several factors, such as prevention of the occurrence of a problem with an airplane in the first place, by providing more or better crew training to properly respond to the problem after it occurs, or providing a dispatcher to help identify a problem before it becomes a potential accident. For this reason, the FAA has chosen to combine the estimated costs of upgrading part 135 pilot training with the cost of the Commuter Rule and compare these combined costs with the estimated benefits of the Commuter Rule. When the estimated cost of the part 135 pilot training upgrade requirement ($17 million) is added to the estimated costs for the Commuter NPRM ($275 million), the combined costs ($292 million) are still less than the estimated benefits of the Commuter NPRM ($393 million). The estimated costs and benefits will probably be different in the Commuter Final Rule, but the estimated cost of the Commuter Final Rule plus the $17 million for the part 135 pilot training upgrade requirement is still expected to be less than the estimated benefits for the Commuter Final Rule.

Regulatory Flexibility Determination

The Regulatory Flexibility Act of 1980 (RFA) was enacted by Congress to ensure that small entities are not unnecessarily and disproportionately burdened by the Government regulations. The RFA requires agencies to review rules that may have ''a significant economic impact on a substantial number of small entities.''

The rule will affect those small entities regulated by parts 121 and 135. The FAA's criterion (for documentation, see 47 FR 32825, July 29, 1982) for ''a substantial number'' is a number that is not less than 11 and which is more than one-third of the small entities subject to the rule. For air carriers, a small entity has been defined as one who owns, but does not necessarily operate, 9 or fewer aircraft. The relevant FAA criteria for ''a significant impact'' are incremental cost of $67,800 per year for a scheduled air carrier with a fleet size of 60 seats or fewer, and $121,300 for a scheduled air carrier with a fleet size of more than 60 seats). (All monetary values are in 1994 dollars).

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×$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×$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

§ 121.403 in the manual required by § 135.21 of this chapter.

(g) The Administrator may grant a deviation to certificate holders described in § 135.3 (b) and (c) of this chapter to allow reduced programmed hours of ground training required by § 121.419 if it is found that a reduction is warranted based on the certificate holder's operations and the complexity of the make, model, and series of the aircraft used.

5. Section 121.406 is added as follows:

§ 121.406 Reduction of CRM/DRM programmed hours based on credit for previous CRM/DRM training.

(a) For flightcrew members, the Administrator may credit CRM training received before March 19, 1998 toward all or part of the initial ground CRM training required by § 121.419.

(b) For flight attendants, the Administrator may credit CRM training received before March 19, 1999 toward all or part of the initial ground CRM training required by § 121.421.

(c) For aircraft dispatchers, the Administrator may credit CRM training received before March 19, 1999 toward all or part of the initial ground CRM training required by § 121.422.

(d) In granting credit for initial ground CRM or DRM training, the Administrator considers training aids, devices, methods, and procedures used by the certificate holder in a voluntary CRM or DRM program or in an AQP program that effectively meets the quality of an approved CRM or DRM initial ground training program under section 121.419, 121.421, or 121.422 as appropriate.

6. Section 121.419 is amended by revising paragraph (a)(1)(vii), redesignating paragraph (a)(1)(viii) as paragraph (a)(1)(ix), and adding a new paragraph (a)(1)(viii), to read as follows:

§ 121.419 Pilots and flight engineers: Initial, transition, and upgrade ground training.

(a) * * *

(1) * * *

(viii) Visual cues prior to and during descent below DH or MDA;

(viii) Approved crew resource management initial training; and

* * * * *

7. Section 121.421 (a)(1) is revised to read as follows:

§ 121.421 Flight attendants: Initial and transition ground training.

(a) * * *

(1) General subjects—

(i) The authority of the pilot in command;

(ii) Passenger handling, including the procedures to be followed in the case of deranged persons or other persons whose conduct might jeopardize safety; and

(iii) Approved crew resource management initial training.

* * * * *

8. Section 121.422 is amended by revising paragraphs (a)(1)(vii) and (a)(1)(viii), and by adding a new paragraph (a)(1)(ix) to read as follows:

§ 121.422 Aircraft dispatchers: Initial and transition ground training.

(a) * * *

(1) * * *

(vii) Prevailing weather phenomena and the available sources of weather information;

(viii) Air traffic control and instrument approach procedures; and

(ix) Approved dispatcher resource management (DRM) initial training.

* * * * *

9. Section 121.427 is amended by adding a new paragraph (b)(4):

§ 121.427 Recurrent training.

* * * * *

(b) * * *

(4) Approved recurrent CRM training. For flight crewmembers, this training or portions thereof may be accomplished during an approved simulator line operational flight training (LOFT) session. The recurrent CRM training requirement does not apply until a person has completed the applicable initial CRM training required by §§ 121.419, 121.421, or 121.422.

* * * * *

10. Section 121.431(a) is revised to read as follows:

§ 121.431 Applicability.

(a) This subpart prescribes crewmember qualifications for all certificate holders except where otherwise specified. The qualification requirements of this subpart also apply to each certificate holder that conducts commuter operations under part 135 of this chapter with airplanes for which two pilots are required by the aircraft type certification rules of this chapter, or with airplanes having a passenger seating configuration, excluding any pilot seat, of 10 seats or more. The Administrator may authorize any other certificate holder that conducts operations under part 135 to comply with the training and qualification requirements of this subpart instead of subparts E, G, and H of part 135 of this chapter, except that these certificate holders may choose to comply with the operating experience requirements of § 135.244 of this chapter, instead of the requirements of § 121.434.

* * * * *

PART 135—AIR TAXI OPERATORS AND COMMERCIAL OPERATORS

11. The authority citation for Part 135 is revised to read as follows:

Authority: 49 U.S.C. 106(g), 1153, 40101, 40105, 44113, 44701–44705, 44707–44717, 44722, and 45303.

12. Section 135.3 is revised to read as follows:

§ 135.3 Rules applicable to operations subject to this part.

(a) Each person operating an aircraft in operations under this part shall—

(1) While operating inside the United States, comply with the applicable rules of this chapter; and

(2) While operating outside the United States, comply with Annex 2, Rules of the Air, to the Convention on International Civil Aviation or the regulations of any foreign country, whichever applies, and with any rules of parts 61 and 91 of this chapter and this part that are more restrictive than that Annex or those regulations and that can be complied with without violating that Annex or those regulations. Annex 2 is incorporated by reference in § 91.703(b) of this chapter.

(b) After March 19, 1997, each certificate holder that conducts commuter operations under this part with airplanes in which two pilots are required by the type certification rules of this chapter, or with airplanes having a passenger seating configuration, excluding any pilot seat, of 10 seats or more, shall comply with subparts N and O of part 121 instead of the requirements of subparts E, G, and H of this part. Each affected certificate holder must submit to the Administrator and obtain approval of a transition plan (containing a calendar of events) for moving from its present part 135 training, checking, testing, and qualification requirements to the requirements of part 121 of this chapter. Each transition plan must be submitted by March 19, 1996, and must contain details on how the certificate holder plans to be in compliance with subparts N and O of part 121 on or before March 19, 1997.

(c) If authorized by the Administrator upon application, each certificate holder that conducts operations under this part to which paragraph (b) of this section does not apply, may comply with the applicable sections of subparts N and O of part 121 instead of the requirements of subparts E, G, and H of this part, except that those authorized certificate

holders may choose to comply with the operating experience requirements of § 135.244, instead of the requirements of § 121.434 of this chapter.

13. Section 135.12 is added:

§ 135.12 Previously trained crewmembers.

A certificate holder may use a crewmember who received the certificate holder's training in accordance with subparts E, G, and H of this part before March 19, 1997 without complying with initial training and qualification requirements of subparts N and O of part 121 of this chapter. The crewmember must comply with the applicable recurrent training requirements of part 121 of this chapter.

§ 135.241 [Amended]

14. Section 135.241 is amended by revising ''This'' to read ''Except as provided in § 135.3, this''.

§ 135.291 [Amended]

15. Section 135.291 is amended by revising ''This'' to read ''Except as provided in § 135.3, this''.

§ 135.321 [Amended]

16. Section 135.321 is amended by revising ''This'' to read ''Except as provided in § 135.3, this''.

Issued in Washington, DC on December 8, 1995.

David R. Hinson,

Administrator.

[FR Doc. 95–30449 Filed 12–14–95; 8:45 am]

BILLING CODE 4910–13–M