

FAA Response

Rescinding § 121.652 is beyond the scope of this rulemaking. The FAA does not consider § 121.652 to be obsolete but rather finds that the requirements of that section are necessary.

Editorial Changes

In addition to the changes described above for § 121.434, two editorial changes have been made to improve the organization of the section: (1) The flush paragraph that currently appears after paragraph (b)(3) has been incorporated into new paragraph (a)(3); and (2) the flush paragraph that currently appears after paragraph (f) has been designated as paragraph (i) to appear after new paragraph (h).

In § 121.434(c)(2), a second in command pilot must perform the duties of a second in command under the supervision of an appropriately trained check pilot. In the NPRM, both in the preamble and in the rule language, the FAA used the term "pilot check airman" and should have used the term "check pilot" as it is presently stated in the rule. A check pilot is a subset of check airman; a check flight engineer is also a subset of check airman. Consequently, the more accurate and precise term for the person supervising a SIC's IOE is "check pilot." Thus, the FAA retains the terminology of "check pilot" in this final rule. The FAA considers this a minor, editorial change.

Regulatory Evaluation Summary

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 rule: (1) Would generate benefits that justify its costs and is not "a significant regulatory action" as defined in the Executive Order; (2) is significant as defined in Department of Transportation's Regulatory Policies and Procedures; (3) would not have a significant impact on a substantial number of small entities; and (4) would not constitute a barrier to international trade. These analyses, available in the docket, are summarized below.

Costs

The FAA estimates the net cost of the final rule over the next 10 years to be approximately \$45.2 million, with a present value of \$31.3 million (7 percent discount, 1993 dollars). This cost estimate includes the additional expense of a check pilot's time to supervise additional PIC transition training; the expense of consolidating an operating experience of additional flight time training for SICs and PICs; and of a computerized system to assist in pairing newly qualified pilots with experienced pilots.

Operating Experience and Operating Cycles for SIC Candidates

In the regulatory evaluation for the NPRM, the FAA estimated a present value cost of \$42.5 million to certificate holders to provide a check airman to supervise the operating experience for SIC candidates, who currently are allowed to sit in the jump seat and observe the performance of SIC duties to gain initial operating experience (IOE). This cost was based on the following assumptions:

- (1) The highest level of check airman (check pilot—all checks) was required to supervise the SIC candidate's IOE;
- (2) This level of check airman would be paid at a much higher rate than a PIC; and
- (3) A previously scheduled PIC and SIC would be displaced by the check airman and the SIC candidate, and these displaced pilots would be compensated for not flying the trip.

For the final rule, the FAA has clarified that the level of "check airman" required is not the highest designation level of check airman who can administer all checks, but is instead a lower level most commonly called "check pilot." This line check pilot, (designated as Line Check Pilot-All Seats) is also a check airman, but only to a level which at minimum will allow supervision of IOE with an SIC candidate. This level of check pilot is normally much more numerous within a carrier's pilot population than the check airman originally envisioned, and these pilots normally fly the line as PICs. They receive no additional pay for their status as check pilots, and the difference is best likened to that between a flight instructor and an FAA designated examiner in general aviation.

Since the FAA has clarified that the check pilot supervising the SIC candidate can be a line or regular PIC with the check pilot designation, the original assumptions no longer hold. The FAA has revised these assumptions as follows:

(1) Operators are only required to provide a check pilot who is designated to the minimum level necessary to supervise IOE;

(2) There is a greater availability of check pilots designated to a sufficient level to supervise IOE than the previously estimated higher level "check airman-all checks";

(3) There is little if any difference in salary between a PIC and a PIC "check pilot"; and

(4) A previously scheduled PIC and SIC would not be displaced by the check pilot and the SIC candidate because normal scheduling can pair these two pilots without displacing other pilots.

The additional operating experience requirements for SIC candidates impose an additional constraint on how operators schedule their pilots. Some of the costs of these constraints can be alleviated by making adjustments in the pilot scheduling system. Costs related to changing the scheduling system are discussed later in this regulatory evaluation. (See the section on Developing Computer Programming.) Other potential costs that cannot be alleviated by changes in the scheduling system have not been quantified because they are difficult to estimate. However, the FAA contends that based on the above set of assumptions, those costs will be considerably smaller than the \$42.5 million estimated in the regulatory evaluation for the NPRM.

Operating Experience and Operating Cycles for PIC Candidates

The final rule will increase the number of hours of observed supervised operating experience for transitioning PICs in Group II airplanes and will add operating cycle requirements for both initial and transitional PICs in both Group I and Group II airplanes. The current requirement for transitioning PICs in Group II airplanes is 15 hours of operating experience; the new requirement will increase the hours to 25. The potential cost of this requirement will be the cost to provide a check pilot to observe the PIC candidate for the additional 10 hours.

The FAA estimates that there will be 3,119 transition PICs in Group II airplanes in 1994 assuming that 10 percent of the PICs in Group II airplanes require transition training each year. The cost of this section to air carriers will be to provide a check pilot for the 10 additional hours of supervised operating experience for these transitioning PICs. Check pilots in Group II airplanes are compensated at \$127 per hour. The cost of compliance in 1994, therefore, would be \$4 million.