

feet MSL to 3,000 feet MSL. The reason for this change is to provide additional airspace needed to ensure that aircraft vectored for triple, simultaneous ILS approaches (with the required 1,000 feet vertical separation between aircraft) remain within the Houston Class B airspace area. The FAA also proposes to modify Area C to the southwest of HOU by incorporating into Area C, one segment of the Class B airspace that is currently contained within Area D. Specifically, to the southwest of HOU, the FAA proposes to extend Area C to the southwest incorporating that part of Area D airspace that lies to the southwest on the extended ILS localizer course and downwind legs for Runway 4, between the IAH 15 and 20 NM arcs. The effect of extending Area C as described would be to lower the floor of the Class B airspace in the affected segment from the current 4,000 feet MSL to 3,000 feet MSL. The reason for this change is to provide additional airspace needed to ensure that aircraft vectored for the ILS Runway 4 approach remain within the Houston Class B airspace area.

**Area D.** The FAA proposes to modify Area D by expanding the boundaries of Area D to the southwest of HOU. This modification would add a segment to the Class B airspace. Specifically, the FAA proposes to extend Area D to the southwest of HOU incorporating airspace that lies to the southwest on the extended ILS localizer course and downwind legs for Runway 4, between the IAH 20 and 25 NM arcs. The effect of extending Area D as described would be to add a segment to the Class B airspace from 4,000 feet MSL to 10,000 feet MSL. The reason for this change is to provide additional airspace needed to ensure that aircraft vectored for the ILS Runway 4 approach remain within the Houston Class B airspace area.

**Area E.** The FAA is not proposing any changes to the lateral dimensions of Area E.

These modifications would improve the management of aircraft operations in the Houston terminal area, and enhance safety by extending and lowering the floor of Class B airspace to protect a high volume of instrument approaches to IAH and HOU airports. Additionally, this proposed action supports various efforts to enhance the efficiency and capacity of the National Airspace System including the National Airspace Redesign project and the FAA's Operational Evolution Plan.

The coordinates for this airspace docket are based on North American Datum 83. Class B airspace areas are published in paragraph 3000 of FAA Order 7400.9K, Airspace Designations

and reporting Points, dated August 30, 2002, and effective September 16, 2002, which is incorporated by reference in 14 CFR section 71.1. The Class B airspace area listed in this document would be published subsequently in the Order.

#### Regulatory Evaluation Summary

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 requires agencies to analyze the economic effect of regulatory changes on small businesses and other 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 proposed rule: (1) Would generate benefits that justify its circumnavigation costs and is not a "significant regulatory action" as defined in the Executive Order; (2) is not significant as defined in the Department of Transportation's Regulatory Policies and Procedures; (3) would not have a significant impact on a substantial number of small entities; (4) would not constitute a barrier to international trade; and (5) would not contain any Federal intergovernmental or private sector mandate. These analyses are summarized here in the preamble, and the full Regulatory Evaluation is in the docket.

This NPRM would modify the Houston, TX, Class B airspace. The proposed rule would reconfigure the subarea boundaries, raise the altitude ceiling in certain segments of the airspace and lower the altitude floor in certain segments.

The NPRM would generate benefits for system users and the FAA in the form of enhanced operational efficiency and simplified navigation in the Houston terminal area. These modifications would impose some costs (an additional 5 NM circumnavigation around the expanded controlled airspace) on operators of non-compliant aircraft. However, the cost of circumnavigation is considered to be small. Thus, the FAA has determined this proposed rule would be cost-beneficial.

#### Initial Regulatory Flexibility Determination

The Regulatory Flexibility Act of 1980 establishes "as a principle of regulatory issuance that agencies shall endeavor, consistent with the objective of the rule

and of applicable statutes, to fit regulatory and informational requirements to the scale of the business, organizations, and governmental jurisdictions subject to regulation." To achieve that principal, the Act requires agencies to solicit and consider flexible regulatory proposals and to explain the rationale for their actions. The Act covers a wide-range of small entities, including small businesses, not-for-profit organizations and small governmental jurisdictions.

Agencies must perform a review to determine whether a proposed or final rule will have a significant economic impact on a substantial number of small entities. If the determination is that it will, the agency must prepare a regulatory flexibility analysis (RFA) as described in the Act.

However, if an agency determines that a proposed or final rule is not expected to have a significant economic impact on a substantial number of small entities, section 605(b) of the 1980 Act provides that the head of the agency may so certify and an RFA is not required. The certification must include a statement providing the factual basis for this determination, and the reasoning should be clear.

This proposed rule may impose some circumnavigation costs on individuals operating in the Houston terminal area; but the proposed rule would not impose any costs on small business entities. Operators of GA aircraft are considered individuals, not small business entities and are not included when performing a regulatory flexibility analysis. Flight schools are considered small business entities. However, the FAA assumes that they provide instruction in aircraft equipped to navigate in Class B airspace given they currently provide instruction in the Houston terminal area. Therefore, these small entities should not incur any additional costs as a result of the proposed rule. Accordingly, pursuant to the Regulatory Flexibility Act, 5 U.S.C. 605(b), the Federal Aviation Administration certifies this rule would not have a significant economic impact on a substantial number of small entities. The FAA solicits comments from affected entities with respect to this finding and determination.

#### International Trade Impact Assessment

The Trade Agreement Act of 1979 prohibits Federal agencies from engaging in any standards or related activities that create unnecessary obstacles to the foreign commerce of the United States. Legitimate domestic objectives, such as safety, are not considered unnecessary obstacles. The statute also requires consideration of