

existing Class D airspace area. The establishment of this Class C airspace area requires pilots to establish and maintain two-way radio communications with air traffic control (ATC) when operating in the Class C airspace area, and operate with an altitude encoding transponder while in and above the Class C airspace area. This action promotes the efficient use of airspace and reduces the risk of midair collision in the northwest Arkansas terminal area.

EFFECTIVE DATE: 0901 UTC, July 10, 2003.

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SUPPLEMENTARY INFORMATION:

Background

On January 27, 2003, the FAA proposed (68 FR 3837) to establish a Class C airspace area and revoke the existing Class D airspace area at XNA. The FAA proposed this action due to an increase in aircraft operations at XNA and a study indicating an increased potential for a midair collision in the XNA terminal area. With the current Class D airspace area, aircraft operating in the Northwest Arkansas terminal area may fly as close as 4.4 nautical miles from XNA without communicating with ATC. These aircraft are frequently operating at altitudes that may conflict with aircraft arriving or departing XNA. Establishing a Class C airspace area will reduce the potential for midair collisions and increase the level of safety in the Northwest Arkansas terminal area by requiring aircraft to establish and maintain 2-way radio communication with ATC when operating in the proposed Class C airspace area, and to operate with an altitude encoding transponder when in and above the proposed area. The study also identified the need for improved communications in the XNA terminal area. In response to that need, the FAA has taken action to install a remote transmitter and receiver (RTR) that will enable pilots to contact ATC prior to entering terminal airspace.

Discussion of Comment

In response to the notice of proposed rulemaking, the FAA received one comment. The Aircraft Owner's and Pilots Association did not oppose the proposed establishment of a Class C airspace area provided an RTR is installed to improve the ability of pilots

to communicate with ATC prior to entering the Class C airspace area. The FAA agrees that an RTR is needed and as stated above, has taken action to acquire and install an RTR that is scheduled to be operational on or before the effective date of this airspace action (barring any reduction of funding).

The Rule

This amendment to part 71 of the Federal Aviation Regulations (14 CFR part 71) establishes a Class C airspace area and revokes the existing Class D airspace area at XNA. The FAA is taking this action due to an increase in aircraft operations and an increased potential for a midair collision in the Northwest Arkansas terminal area. Establishing this Class C airspace area will require pilots to maintain two-way radio communications with ATC when operating in the Class C airspace area and to operate with an altitude encoding transponder while in or above the Class C airspace. Additionally, this Class C airspace area will promote the safe and efficient use of airspace, and reduce the risk of a midair collision in the Northwest Arkansas terminal area.

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. Therefore, this proposed action: (1) Is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this proposed rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

The coordinates for this airspace docket are based on North American Datum 83. Class C airspace designations are published in paragraph 4000 of FAA Order 7400.9K, dated August 30, 2002, and effective September 16, 2002, which is incorporated by reference in 14 CFR 71.1. The Class C airspace designation 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 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 proposed rule is not "a significant regulatory action" as defined in the Executive Order and the Department of Transportation Regulatory Policies and Procedures. This final rule will not have a significant impact on a substantial number of small entities, will not constitute a barrier to international trade, and does not contain any Federal intergovernmental or private sector mandate. These analyses, available in the docket, are summarized below.

The final rule will revoke the Class D airspace area currently surrounding the Northwest Arkansas Regional Airport and will establish a Class C airspace area there. The FAA will incur costs of approximately \$500 in order to send a "Letter To Airmen" to pilots within a 50-mile radius of the Northwest Arkansas Regional Airport informing them of the airspace change. The FAA will not incur any other costs for air traffic control staffing, training, or equipment. Changes to sectional charts will occur during the chart cycle and will cause no additional costs beyond the normal update of the charts. Any public meeting and safety seminar will not result in costs to the aviation community because they will occur regardless of whether or not this rule becomes final. Aircraft owners and operators will incur minimal equipment costs to operate in the Class C airspace area. Most of the air traffic comes from a mix of air taxi and commuter aircraft. These aircraft should already have the necessary equipment to transition Class C airspace area.

The FAA contends that establishing the Class C airspace area surrounding the Northwest Arkansas Regional Airport will increase the level of safety for the operations that occur at the airport. Therefore, the FAA has determined the final rule to be cost-beneficial.

Final 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