

proposal described an Organization Designation Authorization (ODA) program that would expand and further standardize the approval functions of the FAA designee system. It proposed that certain functions and procedures, including those covered by SFAR 36, be terminated and covered instead by an Organization Designation Authorization. In 1999, we extended SFAR 36 an additional five years to allow for the development and implementation of the ARAC proposal.

However, despite the progress made so far, we have delayed implementing the ODA delegation system. We did this to allow time to gain experience managing organizations under FAA Order 8100.9, DAS, DOA, and SFAR 36 Authorization Procedures, issued in August, 2002. The management principles incorporated by this Order serve as the basis for managing ODA holders. Even if an ODA proposal were published immediately, it would not be effective prior to the current expiration date of SFAR 36. The SFAR must be extended to continue the status quo and avoid significant economic and procedural disruption in returning to the earlier system of approvals.

Paragraph 4 of the SFAR currently requires that the application for authority be filed with the appropriate FAA Flight Standards District Office. The more appropriate office for the applications is now the FAA Certificate Holding District Office. A technical amendment is made to the SFAR to identify the correct office for applications.

The Direct Final Rule Procedure

The FAA anticipates that this regulation will not result in adverse or negative comment and therefore is issuing it as a direct final rule. This will be the sixth time the FAA has extended SFAR 36. When this rule was published as a notice of proposed rulemaking on November 2, 1998, the FAA received no comments. Because the Agency is simply extending the termination date of this SFAR, and failing to do so would have serious adverse economic consequences for both industry and government, the FAA asserts that publishing a direct final rule best serves the public interest. Unless a written adverse or negative comment, or a written notice of intent to submit an adverse or negative comment is received within the comment period, the regulation will become effective on the date specified above. After the close of the comment period, the FAA will publish a document in the **Federal Register** indicating that no adverse or negative comments were received and

confirming the date on which the final rule will become effective. If the FAA does receive, within the comment period, an adverse or negative comment, or written notice of intent to submit such a comment, a document withdrawing the direct final rule will be published in the **Federal Register**, and a notice of proposed rulemaking may be published with a new comment period.

Comments Invited

The FAA invites interested persons to participate in this rulemaking by submitting written comments, data, or views. We also invite comments relating to the economic, environmental, energy, or federalism impacts that might result from adopting this rule. The most helpful comments reference a specific portion of the rule, explain the reason for any recommended change, and include supporting data. We ask that you send us two copies of written comments.

We will file in the docket all comments we receive, as well as a report summarizing each substantive public contact with FAA personnel concerning this rulemaking. The docket is available for public inspection before and after the comment closing date. If you wish to review the docket in person, go to the address in the **ADDRESSES** section of this preamble between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. You may also review the docket using the Internet at the web address in the **ADDRESSES** section.

Privacy Act: Using the search function of our docket web site, anyone can find and read the comments received into any of our dockets, including the name of the individual sending the comment (or signing the comment on behalf of an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477-78) or you may visit <http://dms.dot.gov>.

We will consider all comments we receive on or before the closing date for comments. We will consider comments filed late if it is possible to do so without incurring expense or delay. We may change this rule in light of the comments we receive.

If you want the FAA to acknowledge receipt of your comments on this rule, include with your comments a pre-addressed, stamped postcard on which the docket number appears. We will stamp the date on the postcard and mail it to you.

Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995, 44 U.S.C. § 3507(d), the FAA has determined that there are no new requirements for information collection associated with this SFAR.

International Compatibility

In keeping with U.S. obligations under the Convention on International Civil Aviation, it is FAA policy to comply with International Civil Aviation Organization (ICAO) Standards and Recommended Practices to the maximum extent practicable. The FAA has determined that there are no ICAO Standards and Recommended Practices that correspond to these regulations.

Economic Assessment, Regulatory Flexibility Determination, Trade Impact Assessment, and Unfunded Mandates Assessment

Proposed changes to Federal regulations must undergo several economic analyses. First, Executive Order 12866 directs each Federal agency to 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 impact of regulatory changes on small entities. Third, the Trade Agreements Act (19 U.S.C. 2531-2533) prohibits agencies from setting standards that create unnecessary obstacles to the foreign commerce of the United States. In developing U.S. standards, this Trade Act also requires agencies to consider international standards and, where appropriate, use them as the basis of U.S. standards. And fourth, the Unfunded Mandates Reform Act of 1995 requires agencies to prepare a written assessment of the costs, benefits and other effects of proposed or final rules that include a Federal mandate likely to result in the expenditure by State, local or tribal governments, in the aggregate, or by the private sector, of \$100 million or more annually (adjusted for inflation).

In conducting these analyses, FAA has determined this rule: (1) Has benefits which do justify its costs, is not a "significant regulatory action" as defined in the Executive Order and is not "significant" as defined in DOT's Regulatory Policies and Procedures; (2) will not have a significant impact on a substantial number of small entities; (3) has no impact on international trade; and, (4) does not impose an unfunded mandate on State, local, or tribal governments, or on the private sector.