§ 272.10 Conditions applicable to carriers serving a subsidized market.

(a) The Department may, after providing an opportunity for comment by the carrier or carriers affected, impose service, fare or rate conditions on any U.S., Freely Associated State, foreign air carrier, or foreign carrier by air as a precondition to the payment of subsidy compensation required to maintain essential air service in the market, if it finds that:

(1) Essential air service in a Freely Associated State market or markets will not be provided in the absence of the payment of compensation;

(2) Specified service, rate or fare conditions are or will be necessary or desirable to minimize the required subsidy compensation; and

(3) The imposition of such conditions will not unduly impair the service provided in the market.

(b) To the extent the carrier or carriers upon whom the conditions are imposed pursuant to paragraph (a) of this section do not hold a certificate, permit, or other authority from the Department that may be amended to effectively implement the specified conditions, the Department may notify the Government(s) of the Freely Associated States concerned that the imposition of such conditions on those carriers by those Governments shall be a precondition to the payment of the subsidy compensation required to maintain essential air service in the market in question.

(c) The Department may withhold or suspend its provision for the payment of subsidy compensation required to maintain essential air service unless...
Office of the Secretary, DOT

and until the Freely Associated State(s) concerned take the necessary action to impose the specified conditions on the carriers referred to in paragraph (b) of this section, and those carriers have complied with the specified conditions.

(d) Any order of the Department imposing conditions, or requiring the imposition of conditions, pursuant to this paragraph shall be submitted to the President for review not less than 10 days prior to its effective date, and shall be subject to stay or disapproval by the President.


§ 272.11 Effective date of provisions.

The provisions of this part shall not become effective for Palau until the Compact of Free Association and Article IX of the Federal Programs and Services Agreement become effective for Palau.

§ 272.12 Termination.

These provisions shall terminate on October 1, 1998, unless the program of essential air service to the Federated States of Micronesia, the Marshall Islands, and Palau is specifically extended by Congress.

This amendment is issued under the authority of 49 CFR 1.57(1).


PART 291—CARGO OPERATIONS IN INTERSTATE AIR TRANSPORTATION

Subpart A—General

Sec.
291.1 Applicability.
291.2 Definitions.

Subpart B—All-Cargo Air Transportation Certificates

291.10 Applications.

Subpart C—General Rules for All-Cargo Air Transportation

291.20 Applicability.
291.22 Aircraft accident liability insurance requirement.
291.23 Record retention.

291.24 Waiver of Department Economic Regulations.

Subpart D—Exemptions for Cargo Operations in Interstate Air Transportation

291.30 General.
291.31 Exemptions from the Statute.

Subpart E—Reporting Rules

291.40 [Reserved]
291.41 Financial and statistical reporting—general.
291.42 Section 41103 financial and traffic reporting.
291.43 Statement of operation for section 41103 operations.
291.44 BTS Schedule P–12(e), Fuel Consumption by Type of Service and Entity.

Subpart F—Enforcement

291.50 Enforcement.

Subpart G—Public Disclosure of Data

291.60 Public disclosure of data.


SOURCE: ER–1080, 43 FR 53635, Nov. 16, 1978, unless otherwise noted.

Subpart A—General

§ 291.1 Applicability.

This part applies to cargo operations in interstate air transportation by air carriers certificated under section 41102 or 41103 of the Statute. It also applies to applicants for an all-cargo air transportation certificate under section 41103 of the Statute.

[60 FR 43525, Aug. 22, 1995]

§ 291.2 Definitions.

All-cargo air transportation means the transportation by aircraft in interstate air transportation of only property or only mail, or both.

Interstate air transportation means the transportation of passengers or property by aircraft as a common carrier for compensation, or the transportation of mail by aircraft—

(1) Between a place in—

(i) A State, territory, or possession of the United States and a place in the District of Columbia or another State,