

2004, and effective September 16, 2004, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designations listed in this document would be published subsequently in the Order.

The FAA has determined that this proposed regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(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 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 FAA’s authority to issue rules regarding aviation safety is found in Title 49 of the United States Code. Subtitle 1, Section 106 describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the agency’s authority.

This rulemaking is promulgated under the authority described in Subtitle VII, Part A, Subpart 1, Section 40103, Sovereignty and use of airspace. Under that section, the FAA is charged with prescribing regulations to ensure the safe and efficient use of the navigable airspace. This regulation is within the scope of that authority because it proposes to revise Class E airspace sufficient to contain aircraft executing instrument approaches at St. Michael Airport and represents the FAA’s continuing effort to safely and efficiently use the navigable airspace.

#### List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

#### The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend 14 CFR part 71 as follows:

#### **PART 71— DESIGNATION OF CLASS A, CLASS B, CLASS C, CLASS D, AND CLASS E AIRSPACE AREAS; AIRWAYS; ROUTES; AND REPORTING POINTS**

1. The authority citation for 14 CFR part 71 continues to read as follows:

**Authority:** 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389.

#### **§ 71.1 [Amended]**

2. The incorporation by reference in 14 CFR 71.1 of Federal Aviation Administration Order 7400.9M, *Airspace Designations and Reporting Points*, dated August 30, 2004, and effective September 16, 2004, is to be amended as follows:

\* \* \* \* \*

*Paragraph 6005 Class E airspace extending upward from 700 feet or more above the surface of the earth.*

\* \* \* \* \*

#### **AAL AK E5 St. Michael, AK [Revised]**

St. Michael Airport, AK  
(Lat. 63°29′24″ N., long. 162°06′37″ W.)

That airspace extending upward from 700 feet above the surface within an 8.4-mile radius of the St. Michael Airport.

\* \* \* \* \*

Issued in Anchorage, AK, on January 26, 2005.

**Anthony M. Wylie,**

*Acting Area Director, Alaska Flight Services Area Office.*

[FR Doc. 05–2223 Filed 2–4–05; 8:45 am]

**BILLING CODE 4910–13–P**

## **DEPARTMENT OF TRANSPORTATION**

### **Office of the Secretary**

#### **14 CFR Part 375**

**[Docket No. OST–2003–15511]**

**RIN 2105–AD39**

#### **Certain Business Aviation Activities Using U.S.-Registered Foreign Civil Aircraft**

**AGENCY:** Office of the Secretary, Department of Transportation.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** Under Part 375 of the Department’s regulations, 14 CFR part 375, which provides for the operation in the United States of “foreign civil aircraft” which are not engaged in common carriage, persons or entities seeking to operate foreign civil aircraft within the United States involving the carriage of persons, property and mail “for remuneration or hire” must obtain a “foreign aircraft permit” from the Department of Transportation under that Part. On May 16, 2003, the National Business Aircraft Association (NBAA), a trade association that represents many business aircraft operators throughout the United States, wrote to the Department requesting a policy

determination that certain types of operations that its representative companies might perform using U.S.-registered foreign civil aircraft (such as carriage of a company’s own officials and guests, or aircraft time-sharing, interchange or joint ownership arrangements between companies) do not, in fact, constitute operations “for remuneration or hire” within the meaning of Part 375. The NBAA noted that a favorable response would eliminate the need for the companies involved to secure a permit for such operations. The Department of Transportation is now proposing to amend 14 CFR part 375 to clarify those circumstances under which companies operating U.S.-registered foreign civil aircraft are not deemed to be involved in air commerce for remuneration or hire and, therefore, are not required under Part 375 to obtain a foreign aircraft permit.

On July 7, 2003, the Department solicited comments on the NBAA request (see 68 FR 40321 (July 7, 2003)). Pursuant to the Department’s request, comments were filed by interested parties. The Department has reviewed the comments filed in Docket OST–2003–15511 and now proposes to amend Part 375 of our regulations as described below.

**DATES:** Comments on the proposal must be received by April 8, 2005. Late-filed comments will be considered to the extent practicable.

**ADDRESSES:** You may submit comments identified by DOT DMS Docket Number OST–2003–15511 by any of the following methods:

- Web site: <http://dms.dot.gov>.

Follow the instructions for submitting comments on the DOT electronic docket site.

- Fax: 1–202–493–2251.

• Mail: Docket Management Facility; U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL–401, Washington, DC 20590–001.

• Hand Delivery: Room PL–401 on the plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

• Federal eRulemaking Portal: Go to <http://www.regulations.gov>. Follow the online instructions for submitting comments.

**Instructions:** All submissions must include the agency name and docket number or Regulatory Identification Number (RIN) for this rulemaking. For detailed instructions on submitting comments and additional information on the rulemaking process, see the

Public Participation heading of the **SUPPLEMENTARY INFORMATION** section of this document. Note that all comments received will be posted without change to <http://dms.dot.gov> including any personal information provided. Please see the Privacy Act heading under Regulatory Notices.

*Docket:* For access to the docket to read background documents or comments received, go to <http://dms.dot.gov> at any time or to Room PL-401 on the plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:**

David Modesitt, Chief, Europe Division, Office of International Aviation (X-40), U.S. Department of Transportation, 400 7th Street, SW., Washington, DC 20590; (202) 366-2384.

**SUPPLEMENTARY INFORMATION:** The issue here is whether, and under what circumstances, companies operating U.S.-registered foreign civil aircraft are engaged in commercial air operations for remuneration or hire to, from, and within the United States. Part 375 defines "foreign civil aircraft" as "(a) an aircraft of foreign registry that is not part of the armed forces of a foreign nation, or (b) a U.S.-registered aircraft owned, controlled or operated by persons who are not citizens or permanent residents of the United States." 49 U.S.C. 40102(a)(15) defines "citizen of the United States" as, among other things, "a corporation or association organized under the laws of the United States or a State, the District of Columbia, or a territory or possession of the United States, of which the president and at least two-thirds of the board of directors and other managing officers are citizens of the United States, which is under the actual control of citizens of the United States, and in which at least 75 percent of the voting interest is owned or controlled by persons that are citizens of the United States." Thus, if a company that does not meet the definition of a citizen of the United States (for example, if its president is not a U.S. citizen) owns, directly or through a parent or subsidiary, a corporate aircraft, that aircraft is considered to be a "foreign civil aircraft" under Part 375, even if it is U.S.-registered.

The Department has addressed this issue in limited fashion in past interpretations of Part 375 as it pertains to demonstration flights performed on a chargeback basis related to the sale of aircraft and chargeback operations conducted by a parent for its wholly-owned subsidiary under circumstances

where the management and/or board of directors and management of the corporation were not entirely composed of U.S. citizens. In both instances the Department indicated that such operations, within the confines of the record of those interpretations, did not constitute operations for remuneration or hire, and, therefore, a foreign aircraft permit would not be required under Part 375 of the Department's regulations.

**Summary of Comments Filed**

Pursuant to the Department's request for comments on NBAA's proposal, the Department received comments from several parties.

**Comments in Support of NBAA's Request**

Comments in support of NBAA's request were filed by NBAA, Dassault Falcon Jet Corporation, Carnival Cruise Lines, and Ford Motor Company. In its comments, NBAA strongly supports a policy determination that makes it clear that the business operations at issue here are non-commercial in nature, and are not subject to the prior approval requirements of Part 375. NBAA maintains that application of the Part 375 prior approval requirements to such operations does not make practical sense and serves only as an impediment to efficient business aviation operations. NBAA further states that business aircraft operations are non-commercial in nature because they: are not for remuneration or hire; are conducted entirely incidental to the principal business of the company; are not a business per se; and, contain no elements of holding out to the general public. Such services, NBAA says, are without compensation in most cases other than limited and defined reimbursement of expenses. Finally, NBAA maintains that application of Part 375's prior approval requirements to these operations, particularly if due to the involvement of one or more non-U.S. citizens, would restrict the free flow of business aviation, and that doing so sets a bad precedent for other countries' assessment of whether to restrict U.S. general aviation operations for business-related purposes.

Dassault Falcon Jet Corp., a major manufacturer of business aircraft, filed comments that strongly supported the NBAA position and asked the Department to extend the current interpretation of Part 375 beyond aircraft demonstration flights and parent/wholly-owned subsidiary situations to include other related business activities, such as aircraft time-sharing, aircraft interchanges, joint ownership of aircraft by multiple

business, and the full scope of intra-corporate family operations. Dassault notes that most businesses operating aircraft carry employees, customers, and other persons with whom they conduct business. These activities, Dassault maintains, are incidental to, and in support of, a company's primary businesses, as opposed to being a business in and of itself. Dassault notes that a broader interpretation by the Department of Part 375 similar to that requested by NBAA will result in conformity with the manner in which the Federal Aviation Administration treats these activities under 14 CFR Part 91 for the purposes of aircraft certification.

Carnival Corporation, a/k/a Carnival Cruise Lines, also filed comments that supported DOT issuance of the policy determination requested by NBAA. Carnival sees no useful purpose for the Department to consider the activities at issue to be commercial in nature when they are conducted entirely for the benefit of business-related participants, with no elements of holding out for sale, and without compensation other than limited and defined reimbursement of expenses. Nor does Carnival believe that such operations should be restricted because one of the participants is not a U.S. citizen, as doing so would restrict the free flow of business aviation due to the burden of regulatory approvals. Carnival also noted that the NBAA request would more closely align the way the Department treats such business activities with the FAA's regulations.

**Comments Opposing NBAA's Request**

In filed comments, the Air Transport Association of America, Inc., (ATA) asked the Department to deny NBAA's request. ATA stated that because the NBAA's request raises cabotage and bilateral international aviation issues, it seeks relief that cannot be considered properly and granted through a regulatory interpretation. ATA stated that it does not object to a previous Departmental interpretation of Part 375 saying that authority is not required for certain operations by a parent company on behalf of a wholly-owned subsidiary and vice versa. ATA's concern, however, is about a broadening of that interpretation to involve non-related companies with unrestricted involvement of non-U.S. citizens. ATA expressed concern that granting the relief sought by NBAA would generate incentives for foreign companies to pool U.S.-registered aircraft in order to get additional compensation and, therefore, a better return on their aircraft investment that would otherwise not be

available, and that the bigger the pool of such participants the greater the risk that such arrangements would involve true commercial operations. ATA also stated that the NBAA proposal would allow such foreign entities to circumvent their home countries' restrictive bilateral agreements with the United States, thereby allowing foreign entities to avoid longstanding U.S. statutory prohibitions against cabotage. ATA expressed concern that under the NBAA proposal there would be no assurance of reciprocity by foreign governments in their treatment of similar operations of U.S. citizens operating in foreign countries. Finally, with respect to time share operations, ATA maintains one element of the cost recovery allowance, namely the ability to charge in addition to other specifically allowed incremental cost recoveries, a 100% fee of fuel, oil and lubrication expenses, provides a return above marginal operating costs and therefore would allow a profit for time share operations on a marginal cost basis.

#### **NBAA Reply**

On August 27, 2003, NBAA requested leave to submit a reply to the comments of ATA. In the interest of a complete record, we accepted NBAA's reply comments, as well as the surreply comments of ATA and NBAA discussed below. In its reply, NBAA stated that ATA's concerns are unfounded. NBAA believed that ATA misunderstands crucial concepts that distinguish corporate aviation from common carriage. NBAA cited as distinctions the requirement that the transportation be merely incidental to the corporate operator's principal business, that the corporate operator engage in no holding out or other indicia of common carriage, and that any payments made to corporate operators do not exceed costs. These distinctions, NBAA maintained, assure that the worst-case scenario envisioned by ATA—that foreign corporations would join together to secure economic benefits under the NBAA proposal—would not happen, just as it has not happened with respect to U.S. corporations during the more than thirty years they have operated under comparable FAA provisions. NBAA stated further that its proposal is not contrary to the U.S. statutory prohibition against cabotage, and does not diminish Departmental oversight responsibility of foreign commercial air service. Concerning ATA concerns that time share operators cost recovery allowances could potentially involve a profit for the aircraft operator, NBAA states that the allowable cost recovery

consistently falls short of a fully-allocated cost recovery, much less a profit.

#### **ATA Surreply**

On October 2, 2003, ATA filed a motion for leave to file a surreply. ATA stated that the issues of cabotage and international reciprocity that are implicated here are irrefutable. ATA also stated that the distinction drawn by the NBAA between corporate aircraft operations and commercial operations or common carriage is a moot point, as the issue is whether companies can operate in air commerce without being common carriers. ATA stated that the question of whether corporate aircraft operations are incidental to a business is of no consequence, because the services involved are performed by a third party and the third party would be receiving compensation.

#### **NBAA Surreply**

On October 3, 2003, NBAA filed a motion for leave to file a surreply. NBAA stated that the issue of whether general aviation operations of corporate aircraft operators are conducted for commercial benefit has been addressed numerous times, and that ATA is mistaken in its belief that aircraft time-sharing, joint ownership, and interchange operations constitute operations for compensation or hire.

#### **Discussion**

It is our tentative view that NBAA has made a persuasive case for the changes to Part 375 that it seeks, and we are proposing to amend our regulations to effect those changes.

As NBAA notes, pursuant to 14 CFR 91.501 of the FAA's regulations, U.S. citizen operators of U.S.-registered aircraft now perform, without prior Department approval, the kinds of intracorporate, interchange, joint ownership, and time-sharing operations that are the subject of this proceeding. Such operations are more problematic for companies operating U.S.-registered foreign civil aircraft under the current Part 375, which defines "commercial air operations" (requiring specific Department approval) as "any operations for remuneration or hire to, from, or within the United States \* \* \*," and which makes no distinction for the kinds of business-oriented transportation provided for under the FAA's regulations.

As the U.S. economy has become more global and companies more multinational in character, more and more businesses find it difficult or impossible to operate separate corporate flight departments or conduct the range

of services that they could provide if their aircraft were not considered to be "foreign civil aircraft" under Part 375. This situation, in our view, significantly hampers the companies' flexibility, and puts them at a competitive disadvantage compared with companies that qualify as U.S. citizens.

We believe, in the context of the limited business-related activities raised by NBAA, that public interest considerations warrant treating U.S. and foreign-citizen companies operating U.S. registered aircraft the same way. Specifically, we believe that reimbursement should not be considered remuneration or hire within the context of Part 375 where a company operating a U.S.-registered foreign civil aircraft engages in the kinds of business air service transactions as defined below, and is reimbursed for its expenses as set forth in our proposed amendments. As such, the operations would be authorized by regulation and would no longer require prior approval in the form of a foreign aircraft permit under Part 375. Our decision to level the playing field in this instance by placing U.S. and foreign-citizen companies on the same footing has the added practical advantage of treating U.S.-registered foreign civil aircraft in our regulations similarly to U.S.-registered civil aircraft in FAA regulations.<sup>1</sup>

We propose to implement the proposed changes by adding a new section to subpart D, of part 375. That new section, "Certain business aviation activities using U.S.-registered foreign civil aircraft", would authorize those operations that NBAA requested to be covered. We are also proposing a minor technical amendment to the existing language in § 375.1 to reflect the recodification of Title 49 of the U.S. Code, changing the current reference of "section 402 of the Federal Aviation Act of 1958, as amended" to "49 U.S.C. 41301." We are also updating the authority citation for Part 375 to reflect recodification of Title 49.

In making this proposal, we are mindful of the concerns raised by the parties filing pleadings in opposition to NBAA's proposal. We believe, however, that the public benefits to be gained from this regulation would outweigh those concerns. We concur with ATA's view that the relief NBAA seeks cannot be accomplished merely through interpretation of existing rules, and it is

<sup>1</sup> We wish to make clear, however, that nothing in our proposed change to Part 375 would in any way serve to alter any orders, regulations, or requirements, or interpretations thereof, of the Federal Aviation Administration.

for this reason that we are inviting public comment through this NPRM.

We do not believe that the very limited changes we are proposing here will result in a circumvention of bilateral aviation agreements, or raise any cabotage concerns. With respect to bilateral issues, we see the changes we are proposing as having the potential to assist U.S. corporate operators abroad, as it will indicate U.S. willingness to accord reciprocity for these sorts of business-related transportation arrangements. Still, if problems should occur, and reciprocity should be denied to U.S. operators, we have ample tools to seek resolution of such access problems.

Moreover, we do not see that the changes we are proposing raise any cabotage issues. As noted, our proposed changes merely find that certain limited reimbursements made in connection with corporate-related travel do not constitute remuneration within the context of Part 375, and put all operators of U.S.-registered aircraft on the same economic regulatory footing. It should be noted that we made a similar change to Part 375 in 1986 with respect to expense-related reimbursements for demonstration flights by foreign civil aircraft, finding that those reimbursements did not constitute remuneration.<sup>2</sup> In our view, neither forms of business-related reimbursement raise any problems with the statutory provisions of 49 U.S.C. 41703.

With respect to concerns raised about operators pooling aircraft and arranging their operations so as to become common carriers without requisite Department authority, we must emphasize that such operations are not permissible today, nor have they been under longstanding rules (FAA's Part 91). Also, in detailing in this rulemaking under Part 375 those expense elements that can be considered for purposes of reimbursement, we are specifically excluding profit, which should additionally serve to meet the concerns raised by ATA. In any event, we are in a position to monitor such activities. If any operations develop that would constitute, in our view, common carrier operations by one of the companies operating under the amended rule we are proposing, we have adequate enforcement powers to assure that the operator involved complies with all relevant statutory and regulatory requirements.

### Regulatory Analyses and Notices

All comments received before the close of business on the comment closing date indicated above will be considered and will be available for examination in the docket at the above address. Comments received after the comment closing date will be filed in the docket and will be considered to the extent practicable. In addition to late comments, the Department will also continue to file relevant information in the docket as it becomes available after the comment period closing date, and interested persons should continue to examine the docket for new material. A final rule may be issued at any time after close of the comment period.

#### *Executive Order 12866 and DOT Regulatory Policies and Provisions*

This rule is a significant regulation under Executive Order 12866 and DOT Regulatory Policies and Provisions because of industry interest.

The economic impact of the implementation of the proposed rule is not considered to be significant. The rule would save certain U.S. companies the legal expenses and data-preparation expenses of submitting and processing requests for DOT authority to conduct specified types of intracorporate flight operations. In turn, the Department would save staff expense by not having to process additional foreign air carrier permit applications.

Until recently, management in American companies was far more substantially composed of American citizens, and therefore U.S. companies operating non-commercial general aviation aircraft for parent or subsidiary companies on a cost-reimbursement basis did not experience difficulty in satisfying Departmental rules on citizenship. (Although the citizenship rules were intended to apply primarily to commercial operators, they also apply to many general aviation operations of U.S. companies.) With economic globalization, more non-U.S. citizens have become members of management in U.S. companies, and in a number of instances those companies now fail to qualify under Departmental citizenship rules for the reimbursable operation of general aircraft. They accordingly must seek Department approval to perform such operations. The proposed rule would remove the regulatory burden these companies now face of having to obtain Department approval for flight operations involving intracorporate reimbursement of expenses. Further, the rule provides a rational methodology for such reimbursement. This is consistent with sound accounting practices, as

well as recent actions in industry and governmental policy seeking improved corporate accounting practices.

#### *Federalism*

The Department has analyzed this rulemaking action in accordance with the principles and criteria set forth in Executive Order 13132 and has determined that it does not have sufficient federalism implications to warrant consultation with State and local officials. The Department anticipates that any action taken will not preempt a State law or State regulation or affect the States' ability to discharge traditional State government functions. We encourage commenters to consider these issues, as well as matters concerning any costs or burdens that might be imposed on the States as a result of actions considered here.

#### *Regulatory Flexibility Act*

The Regulatory Flexibility Act (5 U.S.C. 601, *et seq.*, as amended by the Small Business Regulatory Enforcement Fairness Act (SBREFA) of 1996 requires an agency to review regulations to assess their impact on small businesses. The Department certifies that this rule will not have a significant economic impact on a substantial number of small entities. The rule would almost exclusively affect only large corporations. In addition, we anticipate the rule would have little, if any, economic impact.

#### *Paperwork Reduction Act*

Under the Paperwork Reduction Act of 1995, 44 U.S.C. 3501-3520, Federal agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct, sponsor, or require through regulations. This rule contains information collection requirements. As required by the Paperwork Reduction Act, the Department will submit this requirement to the Office of Information and Regulatory Affairs of the OMB for review, and reinstatement, with change of a previously approved collection for which approval has expired.

OST Form 4509 is a required application for foreign aircraft permit or special authorization. The Department requires operators of foreign civil aircraft to obtain the permits before conducting certain flight operations within U.S. airspace. In granting such permits, the Department determines that the proposed operation is consistent with the applicable law, that the applicant's homeland grants a similar privilege to U.S. registered aircraft, and that the proposed operation is in the

<sup>2</sup> See 51 FR 7251 (Mar. 3, 1986).

interest of the public of the United States.

*OMB Number:* 2106-0007.

*Title:* 14 CFR part 375 Navigation of Foreign Civil Aircraft Within the United States.

*Burden Hours:* 13.

*Affected Public:* Business or other for-profit.

*Description of Paperwork:* The proposed changes to the rulemaking are intended to save certain U.S. companies the legal expenses and data preparation expenses of submitting and processing requests for DOT authority to conduct special types of intracorporate flight operations. The Department would also save staff expenses by not having to process additional permit applications.

#### *Unfunded Mandates Reform Act*

This rule, if adopted as proposed, would not impose an unfunded mandate for the purposes of the Unfunded Mandates Reform Act of 1995.

#### *Regulation Identifier (RIN)*

A regulation identifier (RIN) is assigned to each regulatory action listed in the United Agenda of Federal Regulations. The Regulatory Information Service Center publishes the Unified Agenda in April and October of each year. The RIN contained in the heading of this document can be used to cross-reference this action with the Unified Agenda.

#### **List of Subjects in 14 CFR Part 375**

Aircraft, Airmen, Foreign relations, Reporting and recordkeeping requirements.

#### **PART 375—NAVIGATION OF FOREIGN CIVIL AIRCRAFT WITHIN THE UNITED STATES**

For the reasons set forth in the preamble, the Department of Transportation proposes to amend 14 CFR part 375 as follows:

1. The authority citation for 14 CFR Part 375 would be amended by revising the citation to read as follows:

**Authority:** 49 U.S.C. 40102, 40103, and 41703.

2. The definition of “Commercial air operations” in § 375.1 would be revised to read as follows:

##### **§ 375.1 Definitions.**

\* \* \* \* \*

Commercial air operations shall mean operations by foreign civil aircraft engaged in flights for the purpose of crop dusting, pest control, pipeline patrol, mapping, surveying, banner towing, skywriting, or similar

agricultural and industrial operations performed in the United States, and any operations for remuneration or hire to, from or within the United States including air carriage involving the discharging or taking on of passengers or cargo at one or more points in the United States, including carriage of cargo for the operator's own account if the cargo is to be resold or otherwise used in the furtherance of a business other than the business of providing carriage by aircraft, but excluding operations pursuant to foreign air carrier permits issued under 49 U.S.C. 41301, exemptions, and all other operations in air transportation.

\* \* \* \* \*

3. A new section, § 375.37, would be added to read as follows:

##### **§ 375.37 Certain business aviation activities using U.S.-registered foreign civil aircraft.**

For purposes of this section, “company” is defined as one that operates civil aircraft in furtherance of a business other than air transportation. U.S.-registered foreign civil aircraft that are not otherwise engaged in commercial air operations, or foreign air transportation, and which are operated by a company in the furtherance of a business other than transportation by air, when the carriage is within the scope of, and incidental to, the business of the company (other than transportation by air), may be operated to, from, and within the United States as follows:

(a) *Intracorporate operations:* A company operating a U.S.-registered foreign civil aircraft may conduct operations for a corporate subsidiary or parent on a fully-allocated cost reimbursable basis; provided, that the operator of the U.S.-registered foreign civil aircraft must hold majority ownership, or be majority owned by, the relevant subsidiary or parent company;

(b) *Interchange operations:* A company may lease a U.S.-registered foreign civil aircraft to another company, in exchange for equal time, when needed on the other company's U.S. registered aircraft, where no charge, assessment, or fee is made, except that a charge may be made not to exceed the difference between the cost of owning, operating, and maintaining the two aircraft;

(c) *Joint ownership operations:* A company that jointly owns a U.S.-registered foreign civil aircraft and furnishes the flight crew for that aircraft may collect from the other joint owners of that aircraft a share of the actual costs involved in the operation of the aircraft; and

(d) *Time-sharing operations:* A company may lease a U.S.-registered foreign civil aircraft, with crew, to another company; provided, that the operator may collect no charge for the operation of the aircraft except reimbursement for:

(1) Fuel, oil, lubricants, and other additives.

(2) Travel expenses of the crew, including food, lodging, and ground transportation.

(3) Hanger and tie-down costs away from the aircraft's base of operations.

(4) Insurance obtained for the specific flight.

(5) Landing fees, airport taxes, and similar assessments.

(6) Customs, foreign permit, and similar fees directly related to the flight.

(7) In flight food and beverages.

(8) Passenger ground transportation.

(9) Flight planning and weather contract services.

(10) An additional charge equal to 100 percent of the expenses for fuel, oil, lubricants, and other additives.

Issued under authority delegated in 49 CFR 1.56a this 28th day of January, 2005, in Washington, DC.

**Karan K. Bhatia,**

*Assistant Secretary for Aviation and International Affairs.*

[FR Doc. 05-2035 Filed 2-4-05; 8:45 am]

**BILLING CODE 4910-62-P**

#### **NATIONAL ARCHIVES AND RECORDS ADMINISTRATION**

#### **36 CFR Part 1253**

**RIN 3095-AB47**

#### **NARA Facility Locations and Hours**

**AGENCY:** National Archives and Records Administration (NARA).

**ACTION:** Proposed rule.

**SUMMARY:** NARA proposes to add to its regulations the location of the William J. Clinton Presidential Library in Little Rock, Arkansas, and the location and hours for the regional archives in NARA's Southeast Region (Atlanta) in Morrow, Georgia. This proposed rule will affect the public.

**DATES:** Submit comments on or before April 8, 2005.

**ADDRESSES:** NARA invites interested persons to submit comments on this proposed rule. Please include “Attn: 3095-AB47” and your name and mailing address in your comments. Comments may be submitted by any of the following methods:

• Federal eRulemaking Portal: Go to <http://www.regulations.gov>. Follow the