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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Parts 91, 125, 135, 137, and 145

[Docket No.: FAA–2024–0025; Notice No. 24–08]

RIN 2120–AL20

Inspection Programs for Single-Engine Turbine-Powered Airplanes and Unmanned Aircraft; and Miscellaneous Maintenance-Related Updates

AGENCY: Federal Aviation Administration (FAA), Department of Transportation (DOT).

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This action would revise certain aircraft maintenance inspection rules for small, corporate-sized, and unmanned aircraft. The proposed changes include additional inspection program options for owners of single-engine turbine-powered airplanes and unmanned aircraft, relaxed mechanical reliability reporting requirements for certain aircraft, and several changes to clarify and simplify various maintenance-related regulations. These proposed amendments would relieve aircraft owners, operators, maintenance providers, and the FAA. The proposed amendments would provide greater flexibility for aircraft maintenance, standardized reporting requirements, and provide clarification of various maintenance-related regulations.

DATES: Send comments on or before April 1, 2024.

ADDRESSES: Send comments identified by docket number FAA–2024–0025 using any of the following methods:

- *Federal eRulemaking Portal:* Go to *www.regulations.gov* and follow the online instructions for sending your comments electronically.
- *Mail:* Send comments to Docket Operations, M–30; U.S. Department of Transportation, 1200 New Jersey Avenue SE, Room W12–140, West Building Ground Floor, Washington, DC 20590–0001.
- *Hand Delivery or Courier:* Take comments to Docket Operations in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE, Washington, DC 20590–0001, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.
- *Fax:* Fax comments to Docket Operations at (202) 493–2251.

Privacy: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to better inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to *www.regulations.gov,* as described in the system of records notice (DOT/ALL–14 FDMS), which can be reviewed at *www.dot.gov/privacy.*

Docket: Background documents or comments received may be read at *www.regulations.gov/* at any time. Follow the online instructions for accessing the docket or go to the Docket Operations in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE, Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: For technical questions concerning this action, contact Bryan B. Davis, Airmen & Special Projects Branch, AFS–320, Aircraft Maintenance Division, Flight Standards Service, Federal Aviation Administration, 800 Independence Avenue SW, Washington, DC 20591; telephone (202) 267–1675; email *Bryan.Davis@faa.gov.*

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I. Executive Summary

A. Overview of Proposed Rule

The FAA proposes to revise certain rules for small, corporate-sized, and unmanned aircraft maintenance inspections. The most substantial change would be the increase in inspection program options for owners and operators of single-engine turbine-powered airplanes and unmanned aircraft. Currently, when operating under the rules in part 91 of title 14 of the Code of Federal Regulations (14 CFR), owners and operators of these aircraft must comply with annual or 100-hour inspection requirements or adopt progressive inspection programs in lieu of those requirements. For single-engine turbine-powered airplanes, this proposed rule would expand inspection options to include, among others, an inspection program recommended by the manufacturer or an inspection program established by the registered owner or operator and approved by the Administrator. For unmanned aircraft, including unmanned aircraft operating under 14 CFR part 135 that are authorized to use the inspection rules in part 91, this proposal would enable the selection of either an inspection program recommended by the manufacturer or a program established by the registered owner or operator and approved by the Administrator. The FAA believes this change would enhance safety and would provide unmanned and single-engine turbine-powered aircraft owners and operators with greater flexibility with aircraft maintenance.

Additionally, for aircraft operating under part 91, subpart K, fractional ownership rules, the FAA proposes to lengthen the reporting interval for aircraft mechanical reliability reports from 72 to 96 hours and to allow electronic report submissions. This would align the reporting interval requirement with those found in other regulations (*e.g.,* 14 CFR 121.703, 135.415, and 145.221).

Finally, the FAA proposes several changes to clarify and simplify various maintenance-related regulations in areas that have confusing or ambiguous

language, to include maintenance and inspection requirements for part 91 and 125 operators and document retention. It also proposes to clarify part 145 regulations pertaining to repair station maintenance documentation and contract maintenance.

B. Background

Subpart E of 14 CFR part 91 prescribes general rules governing the maintenance, preventive maintenance, and alterations of United States (U.S.)-registered civil aircraft operating within or outside of the United States. For aircraft operated under, or otherwise subject to, part 91, subpart E, § 91.409 contains the requirements for aircraft inspections, including requirements for annual inspections and 100-hour inspections. Section 91.409(c) provides exceptions to those inspection requirements; aircraft with special flight permits, experimental certificates, light-sport category, or provisional airworthiness certificates, and aircraft for which progressive inspection programs have been adopted are not required to meet the annual and 100-hour inspection requirements.

Paragraph (c)(3) excludes the types of airplanes identified in § 91.409(e). These types of airplanes—large airplanes (to which part 125 is not applicable), turbojet multiengine airplanes, and turbopropeller-powered multiengine airplanes—must be inspected in accordance with one of the inspection program options specified in § 91.409(f) in lieu of the annual or 100-hour inspection. These options include: (1) a continuous airworthiness inspection program under a part 121 or 135 operator's Continuous Airworthiness Maintenance Program (CAMP); (2) an approved aircraft inspection program under part 135; (3) a current inspection program recommended by the manufacturer; or (4) any other inspection program established by the owner or operator and approved by the FAA.

Certain rotorcraft may, but are not required to, use one of these inspection program options. *See* § 91.409(c)(4) and (e). In 1989, the FAA amended § 91.409 [54 FR 34284, Aug. 18, 1989] to allow turbine-powered rotorcraft (both single- and multiengine) owners and operators to choose between performing an annual, a progressive, or an inspection program under § 91.409(f).

In 2016, an aircraft manufacturer petitioned the FAA for rulemaking to include single-engine turbine-powered airplanes within the scope of § 91.409(e) and (f).[1] Single-engine turbine-powered airplanes are not currently permitted to use one of the inspection options in § 91.409(f) as an alternative to the annual or 100-hour inspection. Since single-engine turbine-powered airplanes were rare at the time the options were introduced for turbine-powered rotorcraft, they were not included in that rule. Today, there are over 4,500 registered single-engine turbine-powered airplanes.

Additionally, unmanned aircraft systems (UAS) commercial utilization and National Airspace System integration has increased since 2016. While 14 CFR part 107 addresses small UAS operations, the FAA has also granted exemptions and waivers from certain part 91 and part 135 rules to permit UAS operations under those parts. Under these exemptions (in the conditions and limitations), the FAA has generally required that unmanned aircraft be inspected in accordance with the manufacturer's inspection instructions or for those instructions to be incorporated into the operator's approved maintenance or inspection program.

II. Authority for This Rulemaking

The FAA's authority to issue rules on aviation safety is found in title 49 of the United States Code. Subtitle I, 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 issued under the authority described in Subtitle VII, part A, subpart III, section 447, section 44701(a)(2)(A) and (B) and (a)(5), and section 44707. Under section 44701(a)(2)(A) and (B), the FAA is charged with prescribing regulations and minimum standards in the interest of safety for inspecting, servicing, and overhauling aircraft, aircraft engines, propellers, and appliances, and equipment and facilities for, and the timing of and manner of, the inspecting, servicing, and overhauling the FAA finds necessary for safety and commerce. Section 44701(a)(5) authorizes the FAA to prescribe regulations and minimum standards for other practices, methods, and procedures the Administrator finds necessary for safety in air commerce and national security. Under section 44707, the FAA may examine and rate repair stations. Specifically, under section 44707(2), the FAA is charged with inspecting and rating repair stations on the adequacy and suitability of the equipment, facilities, and materials for, and methods of, repair and overhaul, and the competency of the individuals doing the work or giving instruction in the work. The regulations proposed are within the scope of that authority.

III. Discussion of the Proposal

A. Inspection Programs for Single-Engine Turbine-Powered Airplanes and Unmanned Aircraft (§ 91.409)

Currently, § 91.409(e) prohibits the operation of a large airplane, turbojet multiengine airplane, turbopropeller-powered multiengine airplane, or turbine-powered rotorcraft unless the replacement times for life-limited parts specified in the aircraft specifications, type data sheets, or other documents approved by the Administrator are complied with and the airplane or turbine-powered rotorcraft is inspected in accordance with an inspection program selected under § 91.409(f), except that the owner or operator of a turbine-powered rotorcraft may elect to use the inspection provisions of § 91.409(a), (b), (c), or (d) instead. We propose to expand § 91.409(e) to apply to single-engine turbine-powered airplanes and unmanned aircraft. Unmanned aircraft would be required to be inspected in accordance with an inspection program selected under § 91.409(f). Owners and operators of single-engine turbine-powered airplanes would be able to select a § 91.409(f) inspection program or use the inspection provisions of § 91.409(a), (b), (c), or (d).

This change would provide single-engine turbine-powered airplane owners and operators more options for inspecting their aircraft. It would give those owners and operators the same choice of inspection program options currently available to owners and operators of turbine-powered rotorcraft. Providing these additional options would harmonize the requirements for similarly-sized turbine-powered airplanes and rotorcraft. Owners and operators would retain the ability to use their existing annual inspection program if they do not want to select any of the newly available options.

Currently, if operating under part 91, single-engine turbine-powered airplane owners and operators only have several inspection options: an annual, a 100-hour, or adopt a progressive inspection program. This proposed rule would expand inspection options to include the types of inspection programs authorized under § 91.409(f). This includes, among others, a manufacturer-

[1] *Textron Aviation Inc. Petition for Rulemaking for 14 CFR 91.409,* September 15, 2016, Public Docket No. FAA–2016–9166, available at *https://www.regulations.gov.*

recommended inspection program, or an inspection program established by the registered owner, or operator, and approved by the Administrator.

The FAA believes this change increases regulatory flexibility and will allow owners and operators the ability to select the program that works best for them. In 1989, the FAA amended § 91.409(e) to allow more inspection options for turbine-powered rotorcraft, which enabled operators to schedule inspections in a manner that has allowed a higher level of rotorcraft utilization. At that time, in the early 1980s, the number of single-engine turbine-powered airplanes was small compared to turbine-powered rotorcraft, which estimated approximately 3,000 aircraft during that time. Today, there are over 4,500 registered single-engine turbine-powered airplanes. The FAA does not believe there are any safety reasons why single-engine turbine-powered airplanes should not be afforded the same regulatory flexibilities as turbine-powered rotorcraft regarding part 91 inspection options. A turbine-powered rotorcraft's use of a manufacturer-recommended inspection program has been shown to be a safe and effective aircraft inspection method instead of the annual or 100-hour inspection requirements. The FAA expects that the same will be true for single-engine turbine-powered airplane manufacturer-recommended inspection programs. In its rulemaking petition, Textron Aviation, Inc., argued that manufacturer-recommended inspection programs are in the public interest because they are geared more specifically to the manufacturer's aircraft model and involve less invasive scheduled maintenance compared to an annual or 100-hour inspection because of less frequent component disassembly, inspection, and reassembly.[2] The FAA agrees these inspection programs can provide these articulated benefits, when applicable, when compared to an annual or a 100-hour inspection. Additionally, a manufacturer-recommended inspection program can contain inspection intervals at more appropriate times for each product and article based on the design and functional history of the same, coupled with the manufacturer's detailed technical knowledge of how best to maintain them.

Existing regulations regarding maintenance and inspection development during the aircraft's part 21 certification process contain the requirements for how a manufacturer-recommended inspection program shall be developed—to include the inspection intervals for products and articles. Section 21.50 requires that the Instructions for Continued Airworthiness and manufacturer's maintenance manuals must be developed in accordance with 14 CFR parts 23, 25, 27, 29, etc., as appropriate. Within each of these parts, the applicable regulation references its appendix, which contains specific requirements that the maintenance inspection program must possess. For example, when developing inspection interval timing for an aircraft while complying with § 21.50, a part 23 aircraft manufacturer is referred to § 23.1529 (Instructions for continued airworthiness), which states an applicant must prepare the same and further refers the applicant to appendix A for part 23. Appendix A, instruction A.23.3(b)(1) requires the manufacturer to develop maintenance/inspection scheduling instructions for all products and articles and must include an inspection program that includes the inspection frequency and extent necessary to provide for the aircraft's continued airworthiness. The recommended inspection intervals are part of the overall Instructions for Continued Airworthiness that would subsequently be submitted to the FAA for acceptance.

During the unmanned aircraft's certification process, whether it undergoes a traditional part 21 type certification or a 49 U.S.C. 44807 exemption request,[3] the manufacturer must submit an aircraft inspection program, for FAA approval, that meets certain requirements for life-limited part replacement times specified in the aircraft specifications, type certificate data sheets, or ''other documents approved by the Administrator (*i.e.,* the sec. 44807 exemption and its associated Conditions & Limitations).'' [4] These manufacturer-recommended inspection programs—to include inspection intervals for products and articles—must include the airframe, engines, propellers, rotors, appliances, emergency equipment, etc., which are ultimately approved by the FAA only when they are found to be adequate.

Regarding unmanned aircraft inspection program selection, excluding those operated under part 107, it is necessary for owners and operators to have the ability to select a program that is most appropriate for the design and configuration of their specific aircraft because of the wide variety in aircraft, which cannot be done in the existing regulations. Currently, part 135 unmanned aircraft applicants and approved operators can only use a CAMP, under § 135.411(a)(2), or an approved aircraft inspection program, under §§ 135.411(a)(1) and 135.419, because other inspection program options cannot be selected, as these aircraft are not incorporated in the regulations. The FAA has not approved part 135 unmanned aircraft operators to use an annual or a 100-hour inspection because the FAA has determined the scope and detail criteria [5] contained in these two options do not adequately cover the component characteristics that are typically installed on these aircraft (*e.g.,* multiple electric motors, circuit boards, batteries, etc.). Additionally, a manufacturer-recommended inspection program—that traditional aircraft may currently select—is not available to unmanned aircraft, despite CAMPs and AAIPs being primarily based on a manufacturer-recommended inspection

[2] *See* note 1 at *2.

[3] 49 U.S.C. 44807 provides the Secretary of Transportation with authority to determine whether a certificate of waiver, certificate of authorization, or a certificate under sec. 44703 or 44704 is required for certain unmanned aircraft system (UAS) operations. Section 44807(b) instructs the Secretary to base their determination on which types of unmanned aircraft do not create a hazard to users of the National Airspace System or the public. In making this determination, the Secretary must consider the unmanned aircraft's size, weight, speed, operational capability, and other aspects of the proposed operation. On October 1, 2021, the Secretary delegated this authority to the FAA Administrator. Unmanned aircraft exemptions have been subsequently issued with conditions & limitations that require the operator to follow the manufacturer's maintenance instructions, service bulletins, inspections, etc.

[4] Section 44807 exemption grants contain a Conditions & Limitations section, which must be followed. The exemptions contain language such as: ''The Operator must follow the UAS manufacturer's operating limitations, maintenance instructions, service bulletins, overhaul, replacement, inspection, and life-limit requirements for the UAS and UAS components. Each UAS operated under this exemption must comply with all manufacturers' safety bulletins. Maintenance must be performed by individuals who have been trained by the Operator in proper techniques and procedures for these UAS. All maintenance must be recorded in the UAS records including a brief description of the work performed, date of completion, and the name of the person performing the work.'' See Exemption No. 21079, Docket No. FAA–2023–1483, August 29, 2023. *See also* Exemption Nos.: 21079, Docket No. FAA–2023–1483, Aug. 29, 2023; 11204, Docket No. FAA–2014–0886, Oct. 23, 2014; 12145, Docket No. FAA–2015–1464, July 24, 2015; 21034, Docket No. FAA–2023–1303, Aug. 30, 2023, etc.

[5] *See* Appendix D to part 43 (Scope and Detail of Items (as Applicable to the Particular Aircraft) To Be Included in Annual and 100-Hour Inspections). Many of the 100-hour inspection requirements do not apply to the majority of unmanned aircraft. For example, paragraph (c) contains inspection criteria for the cabin and cockpit group, which unmanned aircraft do not possess. Similarly, paragraph (d) pertains to reciprocated engines and their associated components (oil, fuel, and hydraulic hoses, engine cylinders, etc.), which the majority of unmanned aircraft do not have because they possess electric propulsion systems.

program. Because of these issues, a CAMP or an AAIP has been the only option for part 135 unmanned aircraft operators to select.

Therefore, the FAA proposes to include unmanned aircraft, excluding part 107 aircraft, in § 91.409(e), which would apply to unmanned aircraft operating under, or otherwise required to be inspected in accordance with, part 91. In particular, the FAA intends for this proposal to apply to unmanned aircraft being operated under part 91 or 135 and that are required to select a maintenance program in accordance with § 91.409(f). While an unmanned aircraft operator would have the option to select a manufacturer-recommended inspection program, they could still continue to use an AAIP or CAMP. This proposal would be applicable to the unmanned aircraft inspections and not unmanned aircraft systems, as defined in 14 CFR 1.1.

The following discusses our proposal to amend certain § 91.409 paragraphs to reflect these changes and additional proposed revisions to this section to enhance clarification.

B. Scope of Covered Aircraft (§ 91.409(e))

For the reasons discussed above, we propose to expand § 91.409(e) to include all turbine-powered aircraft, including unmanned aircraft, and separate it into § 91.409(e)(1) and (2) to better organize the different regulatory frameworks.

Currently, paragraph (e) is limited to large airplanes (to which part 125 is not applicable), turbojet multiengine airplanes, turbopropeller-powered multiengine airplanes, and turbine-powered rotorcraft. Owners and operators of these covered aircraft, except for turbine-powered rotorcraft, are required to comply with replacement times for life-limited parts and have their airplanes inspected using one of the inspection programs specified in paragraph (f) instead of the annual or 100-hour inspection provisions. Owners and operators of turbine-powered rotorcraft, in contrast, can use one of the inspection program options in paragraph (f), or they can elect to use the annual, 100-hour, or progressive inspection provisions (paragraphs (a), (b), and (d), respectively)).

This proposed rule would add single-engine turbine-powered airplanes to § 91.409(e) and provide these owners and operators with the same inspection options that are currently available to owners and operators of turbine-powered rotorcraft. With the proposed addition of single-engine turbine-powered airplanes, § 91.409(e) would apply to all turbine-powered airplanes. These amendments will enable owners and operators of single-engine turbine-powered airplanes to inspect their aircraft using one of the inspection program options in paragraph (f) or elect to use the annual, 100-hour, or progressive inspection provisions.

We also propose to revise § 91.409(e) to include unmanned aircraft. Unmanned aircraft owners and operators subject to the regulation would be required to select one of the inspection programs in paragraph (f). This proposed change would incorporate the requirement, in the conditions & limitations section, that has been required in the existing UAS sec. 44807 exemptions [6] for unmanned aircraft inspections using the UAS manufacturer's inspection program.

We propose to separate § 91.409(e) into two paragraphs to increase clarity and readability, as stated above. Proposed paragraph (e)(1) would cover all current and proposed aircraft that would be required to be inspected in accordance with a § 91.409(f) program (*i.e.,* large airplanes, multiengine turbine-powered airplanes, and unmanned aircraft). Regarding large airplanes and multiengine turbine-powered airplanes, the proposed rule would not make any changes to the currently available inspection programs. Regarding unmanned aircraft, as previously described, the annual, 100-hour, and progressive inspection options are not viable inspection programs because of the significant differences between unmanned aircraft and traditional manned aircraft for which those provisions were designed. Unmanned aircraft would be included under the new § 91.409(e)(1) because they should comply with time-limited parts replacement and the better-suited inspection programs contained in paragraph (f). Proposed paragraph (e)(2) would cover all current and proposed aircraft that have the option to use the inspection options in paragraph (f) in lieu of the inspection provisions of § 91.409(a), (b), or (d) (*i.e.,* turbine-powered rotorcraft and single-engine turbine-powered airplanes).

C. Clarifications of Inspection Program Options (§ 91.409(f))

We intend to make several clarifying amendments to the inspection program options specified in § 91.409(f) and the manner in which these programs are to be submitted.

Paragraph (f)(1) currently specifies the first inspection program option available. The registered aircraft owner or operator under § 91.409(e) may use ''[a] continuous airworthiness inspection program'' that is part of a CAMP currently in use by a part 121 or 135 operator and operating that make and model aircraft under part 121 or operating that make and model under part 135 and maintaining it under § 135.411(a)(2). The FAA proposes to clarify the intent of this section by replacing the phrase ''[a] continuous airworthiness inspection program'' because it is not defined or referenced anywhere else in regulations. Instead, the FAA proposes to revise the phrase so that the paragraph refers only to ''[a]n inspection program'' that is part of a [CAMP]. This change would have no substantive effect and is only proposed to eliminate confusion by the phrase ''[a] continuous airworthiness inspection program.''

We will also amend paragraph (f)(1) to remove the word ''operating'' from the phrase ''air carrier operating certificate.'' This change would leave separate references to ''air carrier certificate'' and ''operating certificate,'' a change consistent with the separate usage of the terms in 14 CFR 119.5.

Current paragraph (f)(3) provides the third inspection program option: ''A current inspection program recommended by the manufacturer.'' The FAA proposes to revise paragraph (f)(3) to clarify that ''current inspection program'' means one that is available for selection at the time the selection is made. That inspection program would remain the ''current'' program to be used by that operator for that aircraft during subsequent inspections, without regard to changes that the manufacturer may have made to the recommended inspection program since the date of selection. This is consistent with an FAA legal interpretation on the subject, which states, ''to comply with § 91.409(f)(3) an operator need only adopt a manufacturer's inspection program that is 'current' as of the time they adopt it, and that program remains 'current' unless the FAA mandates revisions to it in accordance with § 91.415(a).'' [7]

We do not intend for future changes to inspection programs issued by manufacturers to be binding on an owner or operator who had already selected a specific program that was

[6] *See* supra note 7.

[7] *See, e.g., Legal Interpretation of 14 CFR 91.409(f)(3),* Memorandum Opinion to Manager, Aircraft Maintenance Division, AFS–300, from Assistant Chief Counsel for Regulations, AGC–200 (Dec. 5, 2008); and *Legal Interpretation of ''Current'' as it Applies to Maintenance Manuals and Other Documents Referenced in 14 CFR 43.13(a) and 145.109(d),* Memorandum Opinion to Manager, AWP–230 and Manager, Sacramento FSDO, from Assistant Chief Counsel for Regulations, AGC–200 (Aug. 13, 2010).

current at the time of selection.[8] Therefore, to comply with § 91.409(f)(3), an owner or operator need only select a manufacturer-recommended inspection program that is ''current'' at the time of selection, and that program would remain ''current'' for purposes of complying with the regulation—unless the FAA mandated a revision with an Airworthiness Directive or an amendment to an applicable operating rule. Although operators would not be required to revise their inspection programs when a manufacturer issues inspection program revisions, operators may choose to incorporate these revisions if they are applicable. This practice would comply with § 91.409(f)(3). In keeping with this interpretation and to clarify the requirement of paragraph (f)(3), we propose to revise the phrase ''current inspection program'' and replace it with the following: a program ''that was the most current program available at the time of selection and identified in the aircraft maintenance records.''

Current paragraph (f)(4) provides the fourth inspection program option, which is the option to select any other inspection program established by the registered owner or operator ''of that airplane or turbine-powered rotorcraft'' and approved by the Administrator. The FAA proposes to revise § 91.409(f)(4) to remove the phrase ''of that airplane or turbine-powered rotorcraft'' and replace it with ''for that aircraft'' for simplicity because it would cover all the types of aircraft referenced in the proposed revisions to paragraph (e) of the section, including unmanned aircraft.

Also, the phrase ''and approved by the Administrator'' would be moved from preceding the phrase ''under paragraph (g) of this section,'' to follow the phrase ''established by the registered owner or operator'' that appears earlier in the sentence. Accordingly, it would precede the phrase ''for that aircraft.'' This change would help clarify that the inspection program approval is specific to the specific aircraft.

Additionally, in the undesignated, concluding text of § 91.409(f), the FAA proposes to remove the requirement to include the name and address of the person responsible for scheduling inspections in the selected program. This requirement has resulted in unnecessary administrative revisions as personnel and addresses change. This is a burden to both the FAA and industry and has little or no safety benefit, as the owner and operator of the aircraft are ultimately responsible for ensuring all the required inspections are accomplished.

D. Conforming and Clarifying Changes to Subpart E of Part 91

1. Applicability Statement (§ 91.401)

The FAA proposes to amend § 91.401 (the applicability section for subpart E to part 91) to incorporate certain applicability provisions that are currently found in other sections of subpart E. These provisions would be better suited in subpart E's overall applicability section. The agency also proposes to make other clarifying changes to this section.

Specifically, § 91.401 would be revised to incorporate two provisions in § 91.409(c) that exempt certain aircraft from inspection requirements. As noted above, current § 91.409(c) provides, in part, that the requirements for annual inspections, airworthiness certification inspections, and 100-hour inspections (paragraphs (a) and (b) of § 91.409)) do not apply to certain aircraft under specified circumstances. This includes, in pertinent part, the following:

1. An aircraft that carries a special flight permit, a current experimental certificate, or a light-sport, or provisional airworthiness certificate (§ 91.409(c)(1)); and

2. An aircraft inspected in accordance with an approved aircraft inspection program under part 125 or 135 and so identified by the registration number in the operations specifications of the certificate holder having the approved inspection program (§ 91.409(c)(2)).

As § 91.409(c) is currently written, it excludes these aircraft from the inspection requirements in paragraphs (a) and (b) only and does not expressly exclude them from the alternative inspection programs in paragraphs (d) and (e). This language may be construed incorrectly to suggest that these aircraft are subject to the alternative inspection programs in paragraphs (d) and (e). It was not the FAA's intent to require that those covered aircraft comply with any other inspection program in § 91.409.

The FAA proposes to move the exception in § 91.409(c)(1) for aircraft that carry a special flight permit into a new § 91.401(c)(3). The FAA issues special flight permits for specific purposes under § 21.197 to aircraft that may not at the time meet applicable airworthiness standards but remain capable of safe flight for the intended purpose; therefore, under these circumstances, it is inconsistent to require compliance with an inspection program in subpart E. Accordingly, such aircraft should be excluded from the inspections required by paragraphs § 91.409(a) and (b), the other inspection requirements of that section, and § 91.405 because the special flight permit itself, when issued to the operator, already assures the aircraft has been inspected and found to be in a condition for safe flight for the intended operation.

The FAA also proposes to move the current § 91.409(c)(2) exceptions to new § 91.401(c)(1) and (2). The current § 91.409(c)(2) provides that paragraphs (a) and (b) do not apply to aircraft inspected in accordance with an approved aircraft inspection program under part 125 or 135. The current language in § 91.409 could be misread to suggest the other § 91.409 inspection program requirements apply to those aircraft in addition to those of part 125 or § 135.419, as applicable; this was not the FAA's intent. By moving this exception requirement to § 91.401, we would clarify that an aircraft inspected in accordance with part 125 or an approved aircraft inspection program, under § 135.419, is not subject to the other inspection requirements of § 91.409 or § 91.405.

Similarly, the FAA proposes to move the inspection exception provision for aircraft that carry a current experimental certificate, a light-sport airworthiness certificate, or a provisional airworthiness certificate in § 91.409(c)(1) to a new § 91.401(c)(4) because § 91.409(c)(1) does not expressly exclude these aircraft from the alternative inspection programs in paragraphs (d) and (e). However, the FAA also proposes to clarify that these aircraft types must comply with any portions of § 91.409 that are specified in the operating limitations under § 91.317 or § 91.319. This would remove conflicting requirements that occur when the current regulation excepts these aircraft from the requirements of paragraphs (a) and (b), but the operating limitations issued by the FAA for the aircraft require compliance with specified portions of the regulation.

2. Compliance With General Airworthiness Requirements (§ 91.403)

We propose to amend § 91.403(c) by revising the text and dividing the alternative compliance options located in that single paragraph into three new paragraphs (c)(1), (2), and (3) for clarity. The paragraph currently holds the requirement that no person may operate an aircraft for which a manufacturer's maintenance manual or instructions for continued airworthiness has been issued that contains an airworthiness limitations section unless the person has complied with any mandatory replacement times, inspection intervals,

[8] See 36 FR 19507, October 7, 1971, and 37 FR 14758, July 25, 1972.

and related procedures specified in that section or alternative inspection intervals and related procedures set forth in an operations specification approved by the Administrator under part 121 or 135 or in accordance with an inspection program approved under § 91.409(e). The proposed revision is intended to more clearly convey the alternative options available to maintain compliance with the FAA-approved Airworthiness Limitations Section of the Instructions for Continued Airworthiness (ICA) provided by the manufacturer.

The proposed options follow closely those in the current rule but with minor changes. The first option in paragraph (c)(1) would still mandate compliance with the replacement times, inspection intervals, and related procedures found in the airworthiness limitations section of the manufacturer's maintenance manual or ICA. The second option in paragraph (c)(2) would provide for alternative inspection intervals and related procedures set forth in a CAMP for parts 121 and 135 operators, which would be approved by the FAA and authorized by operations specifications issued to the operator. In addition to including operations under parts 121 and 135 as provided in the current rule, this alternative would include operations under subpart K of part 91 if the operators are utilizing a CAMP under § 91.1411. This is because the authorization process for a CAMP under part 91, subpart K, would be similar to the process for CAMPs under parts 121 and 135. The FAA may review and authorize any potential changes to an approved airworthiness limitations section during the review process of the CAMP.

The third option in § 91.403(c)(3) would be to use any alternative inspection intervals and related procedures set forth in an inspection program identified under § 91.409(f). Section 91.409(f) lists the inspection programs that the FAA authorizes for use. The FAA considers these inspection programs to be permissible inspection options for these aircraft. Currently, the reference in § 91.403(c), now proposed as § 91.403(c)(3), referred to inspection intervals within authorized inspection programs under § 91.409(e). This reference has been updated for clarity to § 91.409(f) because that paragraph directly lists the inspection programs.

Finally, the FAA proposes to add a new paragraph (e) to § 91.403 that clarifies that aircraft operating under a special flight permit must do so in accordance with conditions and limitations issued by the Administrator. The proposed revision would also state that the aircraft must be inspected, at least to the extent necessary, to determine the aircraft is in a condition for safe operation for the intended flight. While this is the current practice in the issuance of a special flight permit, the revision would make that requirement explicit. These requirements are necessary for safety because the aircraft in question would not otherwise meet applicable airworthiness requirements.

3. Clarification of Maintenance Required To Correct Discrepancies (§ 91.405)

The FAA proposes to revise § 91.405(a) to state that, between required inspections, the owner or operator would be required to evaluate and disposition or correct, as appropriate, any discrepancies through inspection, overhaul, repair, preservation, or the replacement of parts, in accordance with part 43, or appropriately deferred as provided in § 91.213. The paragraph currently requires that each owner or operator of an aircraft ''[s]hall have that aircraft inspected as prescribed in subpart E of this part and shall between required inspections, except as provided in paragraph (c) of this section, have discrepancies repaired as prescribed in part 43 of this chapter.''

The current text requires only that those discrepancies must be ''repaired,'' which does not properly include all ''maintenance'' elements, as it is defined in 14 CFR 1.1, and discrepancy disposition may be done through several different types of maintenance actions, such as inspection, preservation, or the replacement of parts. The FAA also proposes to add, in paragraph (a), a reference to § 91.213 (Inoperative instruments and equipment) as that section permits deferral of qualifying instruments and equipment under specific conditions and limitations.

The FAA also proposes to revise § 91.405(c), which provides an exception to the requirement in paragraph (a) to repair discrepancies. Paragraph (c) is narrowly tailored to only instruments or equipment permitted to be inoperative by § 91.213(d)(2), and those must be ''repaired, replaced, removed, or inspected at the next required inspection.'' The FAA proposes to change paragraph (c) to clarify that an inoperative instrument or item of equipment would be required to be inspected at each required inspection to ensure it will not have an adverse effect on the aircraft's continued safe operation.

We discussed this issue in the 1988 [9] rule preamble in response to a commenter, who had requested clarification on the length of time an inoperative instrument or equipment item could remain inoperative after deactivation or removal. In the FAA's response, we explained that the rule required a person to determine whether an aircraft with inoperative instruments and equipment is in condition for safe operation. Additionally, at every required inspection thereafter, the aircraft owner or operator would need to have any inoperative instrument and equipment reevaluated to ensure the discrepancy would not affect the operation of any other installed instrument or equipment. Therefore, the FAA believed that the rule provided adequate safeguards without having to impose time limits on the repair or replacement of inoperative instruments and equipment. The intent of the rule was that if the inoperative instrument or item of equipment is not repaired, replaced, or removed at or before the next required inspection, the inoperative item must be inspected again (*i.e.,* reevaluated) at the required inspection to ensure that it will not have an adverse effect on the aircraft's safe operation.[10] Revised paragraph (c) would provide clarification that there is no time limitation as to how long the inoperative instrument or item of equipment could remain inoperative so long as it is inspected at each required inspection and there is no adverse effect on the aircraft's continued safe operation.

Finally, the FAA proposes to revise paragraph (d) to grammatically follow the unnumbered introductory text of § 91.405. That text states: ''Each owner or operator of an aircraft—.'' The beginning of revised paragraph (d) would grammatically follow the section's introductory text by stating: ''Shall ensure that when inoperative instruments or equipment are present, a placard marking it 'Inoperative' has been installed as required by § 43.11 of this chapter.'' The FAA proposes to add the phrase ''marking it 'Inoperative' '' for clarity and to be consistent with the requirements in §§ 43.11(b) and 91.213(d)(3)(ii). The following table is added for clarity.

[9] 53 FR 50190, 50193; December 13, 1988 (inoperative instruments or equipment final rule document for 14 CFR 91.30 and 91.165 (re-codified as 14 CFR 91.213 and 91.405, respectively, on August 18, 1989)).

[10] FAA Legal Interpretation, Peri-Aircraft Electronics Association (June 13, 2018).

TABLE 1—LIST OF PROPOSED REVISIONS TO § 91.405

Current regulation:	Contains the requirements for:	Revised in proposed:
91.405	Each owner or operator of an aircraft—	N/A.
91.405(a)	Shall have that aircraft inspected as prescribed in subpart E of part 91 and shall between required inspections, except as provided in § 91.405(c), have discrepancies repaired as prescribed in part 43.	91.405(a) shall have that aircraft inspected as prescribed in subpart E of part 91 and shall, between required inspections, except as provided in § 91.405(c), have discrepancies evaluated and dispositioned or corrected, as appropriate, through inspection, overhaul, repair, preservation, or the replacement of parts, in accordance with part 43, or appropriately deferred as provided in § 91.213;
91.405(b)		N/A.
91.405(c)	Shall have any inoperative instrument or item of equipment, permitted to be inoperative by § 91.213(d)(2) repaired, replaced, removed, or inspected at the next required inspection.	91.405(c) shall, at the next required inspection, have any inoperative instrument or item of equipment that is permitted to be inoperative by § 91.213(d)(2) and that has not been repaired, replaced, or removed, inspected to ensure that the inoperative instrument or item of equipment will not have an adverse effect on the continued safe operation of the aircraft.
91.405(d)	When listed discrepancies include inoperative instruments or equipment, shall ensure that a placard has been installed as required by § 43.11.	91.405(d) shall ensure that when inoperative instruments or equipment are present, a placard marking it ''inoperative'' has been installed as required by § 43.11.

4. Additional Clarifications of the Aircraft Inspection Requirements (§ 91.409)

In addition to the proposal to extend the inspection program options in § 91.409(f) to single-engine turbine-powered airplanes and unmanned aircraft, we propose other minor clarifications to § 91.409. As discussed under the proposal to revise § 91.401, Applicability, aircraft that carry a special flight permit, a current experimental certificate, or a light-sport, or provisional airworthiness certificate as described in § 91.409(c)(1), are specifically excluded from the inspection requirements of § 91.409(a). The same is true for aircraft inspected in accordance with an approved aircraft inspection program under part 125 or 135 as described in § 91.409(c)(2). This proposal would relocate the exemption language of § 91.409(c)(1) and (2) placing it under § 91.401(c). This change would be part of our proposed clarification and streamlining of subpart E of part 91.

We also propose to revise § 91.409(c)(1) through (4), which provide an exception to the inspection requirements in paragraphs (a) and (b). As previously stated, § 91.409(c)(1) and (2) would be relocated to § 91.401(c), which will leave § 91.409(c)(1) and (2) vacant. We propose relocating § 91.409(c)(3), aircraft that are ''subject to the requirements of paragraph (d) or (e) of this section,'' into the vacant paragraphs (c)(1) and (2) positions. Additionally, we propose to relocate the progressive inspection program exception to paragraphs (a) and (b) from § 91.409(d) to paragraph (c)(1). We also propose to move the exception of large airplanes, multiengine turbine-powered airplanes, and unmanned aircraft that are subject to the proposed § 91.409(e)(1) into the vacant § 91.409(c)(2) position. Furthermore, we propose to move § 91.409(c)(4), aircraft that are subject to the proposed § 91.409(e)(2) (*i.e.,* turbine-powered rotorcraft and single-engine turbine-powered airplanes) into § 91.409(c)(3). Existing § 91.409(c)(4) will be deleted because these changes leave it vacant. Headings have been added for clarity and consistency to § 91.409(a), (b), and (c).

Finally, we propose to update the language in paragraph (g), which establishes the requirement for covered operators to submit new or changed inspection programs for FAA approval, to require simply that the program be submitted in a manner acceptable to the FAA. The proposed revision would provide both the FAA and operators more flexibility in the way these types of programs are submitted, reviewed, and approved. The FAA is also proposing conforming amendments to paragraphs (g) introductory text and (g)(1) to modify language that currently specifies ''airplane'' or ''rotorcraft'' so that it would read ''aircraft,'' to apply to airplanes, rotorcraft, and unmanned aircraft. The following table is added for clarity.

TABLE 2—LIST OF REORGANIZED REQUIREMENTS (§ 91.409)

Current regulation:	Contains the requirements for:	Reorganized in proposed:
91.409(c)(1)	Inspection requirements that are not applicable to an aircraft that carries a current experimental, light-sport, or provisional airworthiness certificate.	Moved to § 91.401(c)(3) and (4).
91.409(c)(2)	Inspection requirements that are not applicable to aircraft inspected in accordance with an approved aircraft inspection program under part 125 or 135.	Moved to § 91.401(c)(1) and (2).
91.409(c)(3)	Inspection requirements that are not applicable to aircraft subject to the requirements of paragraph (d) or (e).	Moved to § 91.409(c)(1) and (2).
91.409(c)(4)	Inspection requirements that are not applicable to turbine-powered rotorcraft when the operator elects to inspect that rotorcraft in accordance with paragraph (e).	Moved to § 91.409(c)(3). *Note:* Section 91.409(c)(4) would be vacant.
91.409(e)	Large Airplanes (not inspected in accordance with part 125).	Revised and separated into § 91.409(e)(1) and (2).

5. Language Used in Reference to Inspection Programs (§ 91.415(a))

We propose to clarify the language in § 91.415(a) by changing the phrase ''approved aircraft inspection program'' to ''an inspection program approved under § 91.409(f)(4) or § 91.1109, or § 125.247(e)(3) of this chapter'' to remain consistent with inspection program terminology in other 14 CFR sections. The FAA uses the term ''approved aircraft inspection program,'' or ''AAIP,'' for a program approved under § 135.419, whereas programs approved under parts 121 and 135 (10 or more), and part 91, subpart K, would be referred to as ''inspection programs.''

Additionally, we propose to add § 125.247(e)(3) to the list of inspection programs to which the Administrator can mandate revisions, if the Administrator finds that revisions are necessary for the continued adequacy of the program. This is to align with the changes being made to § 125.247(e)(3), discussed below.

E. Other Miscellaneous Inspection Program and Maintenance Program Updates

1. Removal of Reference to § 91.409 (§ 91.501(a))

We propose to revise § 91.501(a) to remove the information in parenthesis: ''(Section 91.409 prescribes an inspection program for large and for turbine-powered (turbojet and turboprop) multiengine airplanes and turbine-powered rotorcraft of U.S. registry when they are operated under this part or part 129 or 137.).'' This language is informational only, does not convey any regulatory requirement, and was only a specific reference to inspection requirements in subpart G that continue to apply to aircraft operated under subpart F. Moreover, the introductory sentence of the section states that the regulations in this subpart are in addition to the requirements prescribed in other subparts, which includes the requirements in § 91.409.

2. Mechanical Reliability Reporting Requirements (§ 91.1415(d))

We propose to revise the reporting requirements in § 91.1415(d) to align them with the equivalent service difficulty reporting requirements found in §§ 121.703, 125.409, 135.415, and 145.221. Section 91.1415 prescribes the requirements for occurrence and detection reporting for aircraft failures, malfunctions, and defects by fractional ownership program managers under subpart K, who maintain aircraft under a CAMP. Paragraph (d) sets forth the procedural requirements for report submission to the FAA.

When the FAA revised similar reporting requirements in parts 121, 125, 135, and 145 [70 FR 76979, Dec. 29, 2005], § 91.1415(d) was not included in the change. The proposed change would standardize the reporting requirements by increasing § 91.1415(d) from 72 to 96 hours, as it is in the others, to be consistent. Accordingly, the FAA proposes to change the section heading from ''Mechanical reliability reports'' to ''Service difficulty reports.'' Additionally, we would require that the reports be submitted ''to the FAA offices in Oklahoma City, Oklahoma,'' rather than specifying the reports be submitted directly ''to the Flight Standards office that issued the program manager's management specifications.'' This would be accomplished by submitting reports to the FAA Service Difficulty Reporting online database.

3. Part 125 Inspection Program and Maintenance Requirements (§ 125.247(d) and (e))

We propose to amend the text in § 125.247(d)(1), which prohibits operation of an airplane subject to part 125 unless the ''installed engines have been maintained in accordance with the overhaul periods recommended by the manufacturer or a program approved by the Administrator.'' Specifically, we will remove the phrase ''a program approved by the Administrator'' because there is no FAA-approved maintenance program required by part 125 that includes overhaul periods, nor will we establish one.

Similarly, we would revise paragraph (d)(2), which prohibits operation unless the ''engine overhaul periods are specified in the inspection programs required by § 125.247(a)(3),'' to remove the reference to overhaul periods being specified in an inspection program. The proposed text would state: ''The engine overhaul periods, or a reference to where they can be found, are specified in the certificate holder's operations specifications'' because inspection programs do not include overhaul limits; overhaul limits are part of maintenance programs, not inspection programs.

Additionally, we would revise the introductory paragraph in § 125.247(e) from ''Inspection programs which may be *approved* for use under this part . . .'' to ''Inspection programs that may be *authorized* for use under this part . . . [.]'' The inspection programs referenced in paragraphs (e)(1) and (2) do not require additional FAA acceptance or approval because authorization is contained in the operating specifications. In conjunction with this change, we propose to revise paragraph (a)(3) to replace the word ''approved'' with ''authorized,'' so the paragraph would conclude with the phrase ''inspection program *authorized* by the Administrator under paragraph (e).''

Finally, we will revise the text in paragraphs (e)(1), (2), and (3) to align with the proposed changes in § 91.409(f) (*e.g.,* in paragraph (e)(1), we would remove ''continuous'' from ''continuous inspection program'' because a ''continuous inspection program'' is not defined in the regulations, although an inspection program may be part of a CAMP). Additionally, we will add ''maintenance'' after ''airworthiness'' in the phrase ''continuous airworthiness program'' because these programs have the same requirements as a CAMP. To be consistent with the revision proposed for § 91.409(f)(3) to replace the reference to ''[a] current inspection program recommended by the manufacturer'' with ''[a]n inspection program recommended by the manufacturer that was the most current program available at the time of selection . . . ,'' we will make the same revision to paragraph (e)(2) for the same reasons. This change would eliminate confusion over the use of the word ''current.''

Also, to be consistent with current § 91.409(f)(4), we will revise paragraph (e)(3) of this section to provide that an inspection program developed by the certificate holder for use under this part must be approved by the FAA. Further, we will incorporate into this paragraph the additional requirement in current § 91.409(f)(4) that the Administrator may require revision of the inspection program in accordance with the provisions of § 91.415. This would allow the Administrator to mandate changes to the program if it were found inadequate. The procedures of § 91.415 would be followed, and certificate holders would have the opportunity to file for a petition for reconsideration.

4. Terminology in the Applicability of Part 135, Subpart J (§ 135.411(a)(2))

The FAA proposes to clarify that a maintenance program referenced in § 135.411(a)(2) is a CAMP. Currently, § 135.411(a)(2) lists only the part 135 sections under which the operator's aircraft must be maintained, but it does not refer to that combination of sections as a ''continuous airworthiness maintenance program.'' This term is referenced in § 135.429(d)(3) and in other regulations, such as § 91.409(f)(1), which refers directly to a CAMP for aircraft maintained under § 135.411(a)(2). Therefore, we will

change ''maintained under a maintenance program . . .'' in paragraph (a)(2) to ''under a continuous airworthiness maintenance program . . .'' for consistency with other regulatory requirements.

5. Part 137 Inspection Requirements for Operations Over Congested Areas (§ 137.53(c))

The FAA proposes to revise § 137.53(c) by removing the text in paragraph (c)(1) of the section. Paragraph (c)(1)(i) currently provides an aircraft inspection requirement that must be met before the aircraft may be operated over a congested area. It requires that, except for the larger aircraft addressed by paragraph (c)(1)(ii), the aircraft must have had, within the preceding 100 hours of time in service, a 100-hour or annual inspection or have been inspected under a progressive inspection system. The FAA proposes to move this inspection requirement to § 91.409, the inspections regulation. Specifically, the 100-hour or annual inspection requirement would be re-located to § 91.409(b) to be included with the other 100-hour or annual inspection requirements for aircraft operated for hire or flight instruction. The option for the aircraft to be inspected under a progressive inspection system would be included under the § 91.409(c)(1) exception annual and 100-hour requirements in § 91.409.

Section 137.53(c)(1)(ii) specifies the inspection program requirements for ''a large or turbine-powered multiengine civil airplane . . .'' if it will be operated over congested areas under part 137. It directs that such aircraft be inspected in accordance with the applicable inspection program requirements of § 91.409. Large or turbine-powered multiengine civil airplanes are already required to be inspected in accordance with § 91.409, specifically paragraph (e), regardless of whether the aircraft is operated over congested areas under part 137. We propose to remove § 137.53(c)(1)(ii) in its entirety so only the § 91.409(e) inspection requirements will apply to remove redundancy and to eliminate possible confusion.

F. Clarification of Part 145 Requirements on Documents and Data and Contract Maintenance

1. Current and Accessible Documents and Data (§ 145.109(d))

The FAA proposes to remove the last sentence and its prescriptive list of documents in § 145.109(d),[11] that repair stations must keep ''current and accessible'' when performing maintenance, preventive maintenance, or alterations. The prescriptive list requires that the documents be ''current and accessible when the relevant work is being done;'' however, this conflicts with § 43.13(a) because not all of these documents must be ''current'' when used. For example, repair stations are also authorized to use maintenance and overhaul manuals that were current at the aircraft's certification instead of the manufacturer's most current version in time. Repair stations may also use other documents (including a manual revision that pre-dates the current version if the maintenance is performed using other acceptable methods, techniques, and practices).

A 2010 FAA legal interpretation[12] clarified that ''current'' in § 145.109(d) means ''up to date,'' *i.e.,* the most recent version (revision) of the document (*e.g.,* maintenance manual) issued by the manufacturer. This interpretation also clarified that if a maintenance provider used a prior version or revision of a manual in performing maintenance, that person would not be in violation of the maintenance performance rules in § 43.13 unless the FAA could show that the information used was no longer acceptable. This is because of the flexibility provided in the maintenance regulations. For example, § 43.13(a) provides that the person performing maintenance shall use the current manufacturer's maintenance manual or ICA, ''or other methods, techniques, and practices acceptable to the Administrator. . . .'' If a repair station were to use ''other methods, techniques, and practices acceptable to the Administrator'' (for example, those contained in a prior manual revision), then the repair station would not be required to use the latest revision provided by the manufacturer. Therefore, the FAA proposes to remove the requirement in § 145.109(d) that the documents and data referred to in that section must be current.

The means for assuring appropriate data would be provided by the repair station's quality control system. Currently, § 145.211(a) requires that each repair station establish and maintain a quality control system acceptable to the FAA that ensures the airworthiness of the articles being maintained. Section 145.211(c) provides that, as part of a repair station's acceptable quality control system, the repair station must keep current a quality control manual in a format acceptable to the FAA and specify what that manual must include. Section 145.211(c)(1)(v) provides specifically that the manual must include a description of the procedures used for ''[e]stablishing and maintaining current technical data for maintaining articles.'' In developing acceptable procedures for assuring the currency of the technical data, repair stations typically work with their responsible Flight Standards office to tailor procedures that consider realistic time frames in which to incorporate manual revisions and other changes and updates into their systems. Further, § 145.211(c)(2) requires that the manual include ''[r]eferences, where applicable, to the manufacturer's inspection standards for a particular article, including reference to any data specified by that manufacturer.''

Based on the above considerations, the FAA invites the public to comment on this proposal to remove the current requirement that a repair station must maintain the specified documents and that the documents be ''current'' and accessible when the relevant work is being done. In particular, we seek comments that address any concerns associated with repair stations using a manual that is not the most current revision issued by the manufacturer, in the context of the maintenance performance rule that permits using other acceptable methods, techniques, and practices, and any potential unintended impacts of the proposal. Based on the comments received, the FAA may consider alternatives to removing the requirements in § 145.109(d), including retaining or amending the provision.

2. FAA Contract Maintenance (§§ 145.201(a)(2) and 145.217) Approval

We propose to amend §§ 145.201(a)(2) and 145.217, which address contract maintenance by a certificated repair station, to clarify that the requirements in § 145.217, including the need to obtain FAA approval of contract maintenance, are applicable only when the certificated repair station is assuming responsibility for the maintenance, preventive maintenance, and alterations work performed by an outside source.

Section 145.201(a)(2) contains the general authority for a certificated repair station to arrange (*i.e.,* contract) for another person to perform maintenance,

[11] Section 145.109(d) prescribes the following document list: airworthiness directives, Instructions for Continued Airworthiness, maintenance manuals, overhaul manuals, standard practice manuals, service bulletins, and other applicable data acceptable to or approved by the FAA.

[12] *Legal Interpretation of* ''*Current*'' *as it Applies to Maintenance Manuals and Other Documents Referenced in 14 CFR 43.13(a) and 145.109(d),* Memorandum Opinion to Manager, AWP–230 and Manager, Sacramento FSDO, from Assistant Chief Counsel for Regulations, AGC–200 (Aug. 13, 2010).

preventive maintenance, or alterations of any article for which it is rated. That regulation further requires that if the person to whom the work is contracted is not certificated under part 145, the certificated repair station must ensure that the non-certificated person follows a quality control system equivalent to the system followed by the certificated repair station.

Section 145.217 contains additional specific procedures that a repair station must follow when contracting a maintenance function to an outside source. By the plain language of § 145.217(a)(1), FAA approval is required for a maintenance function to be contracted to an outside source, whether the outside source is an FAA-certificated repair station or a non-certificated person. This requirement has caused confusion in the past as some repair stations believed pre-approval was not required if: (1) the contract was with another FAA-certificated repair station that was rated for the task; and (2) after completing the requested work, the contracted repair station made the requisite airworthiness determination and approved the work performed for return to service.

In 2006, we attempted to address this confusion in a larger part 145 proposed rulemaking. In our proposal to amend § 145.217 [71 FR 70253, 70266, December 1, 2006], we proposed to remove the requirement in paragraph (a)(1) that maintenance functions contracted to all outside sources be approved by the FAA. We proposed to limit FAA approval to a maintenance function contracted to an outside source not certificated under part 145. A repair station contracting a maintenance function to a repair station certificated under part 145 would not have to obtain FAA approval. The FAA withdrew the large part 145 2006 NPRM because it did not adequately address the repair station operating environment at that time. It was also withdrawn because of the many significant issues commenters to the NPRM raised.[13]

We believe the confusion surrounding the approval requirement is part of a broader misunderstanding of contract maintenance regulations. Section 145.217 applies when a certificated repair station contracts a maintenance function to an outside source with the intent of then assuming regulatory responsibility for the maintenance work performed by the outside source, regardless of whether that outside source is certificated under part 145. The certificated repair station, rather than the outside source, would approve the article for return to service. The originating certificated repair station would be responsible for making the maintenance record entry required by 14 CFR 43.9(a), if applicable. Because it assumes responsibility for the outside source's performed maintenance, the certificated repair station must meet the requirements in § 145.217, notably to obtain FAA approval of the contract maintenance and to ensure that the work is accomplished in a satisfactory manner.

As written, however, §§ 145.201(a)(2) and 145.217 can be read to apply even to contract maintenance arrangements where the originating certificated repair station contracts work to another certificated repair station and that outside repair station then performs the work and approves the article for return to service under its own certificate, rating(s), and quality control system. This construction of the regulations was never intended. Compliance with this additional administrative procedure in § 145.217 does not provide any additional safety benefit in this scenario because the outside source is also certificated under part 145 with the appropriate rating(s) and will be using the privileges of its own certificate to perform the work and approve the article for return to service;[14] therefore, this constitutes an unnecessary administrative burden on the requesting repair station and the FAA. The FAA would have already determined, through the issuance of the repair station certificate, operations specifications, ratings, and other authorizations or approvals, that the outside certificated repair station meets the qualifications under part 145 to perform, independently, the maintenance, preventive maintenance, or alterations on the type of article(s) in question.

Accordingly, the FAA proposes to amend § 145.201(a)(2) to clarify that compliance with § 145.217 is required only where the certificated repair station assumes responsibility for the outside source's performed work. Section 145.201(a)(2) currently authorizes a certificated repair station to ''[a]rrange for another person to perform the maintenance, preventive maintenance, or alterations of any article for which the certificated repair station is rated.'' The phrase ''for which the certificated repair station is rated'' is confusing because it can be read to imply that the certificated repair station may not arrange for another person to perform the maintenance, preventive maintenance, or alterations of any article for which the certificated repair station is not rated. Repair stations routinely arrange for other repair stations to perform work on articles for which the originating repair station is not rated or otherwise qualified to maintain or alter as long as the other repair station is rated to perform the work and approves the article for return to service. Thus, we will remove the phrase ''for which the certificated station is rated'' from § 145.201(a)(2) to clarify that part 145 contains no restriction on the ability of repair stations to arrange for other persons to perform work on articles for which the originating repair station is not rated. The section would now provide that a certificated repair station may ''[a]rrange for another person to perform the maintenance, preventive maintenance, or alterations of any article.'' As discussed below, we are also proposing clarifications to limitations on contract maintenance in § 145.217.

The FAA proposes to add language to § 145.201(a)(2) that would permit the originating certificated repair station to approve an article for return to service after work performed by an outside person only if the originating certificated repair station is: (1) rated to perform maintenance, preventive maintenance, or alterations on the article; and (2) complies with the requirements in § 145.217 for contract maintenance. This will make it more explicit that while a repair station can make arrangements for other persons to perform maintenance, preventive maintenance, or alterations, the repair station would be able to approve the article(s) for return to service only if it meets the additional contract maintenance requirements in § 145.217, including the requirement in § 145.217(a)(1) to obtain FAA approval, regardless of whether the outside person is certificated under part 145.

In addition, we will remove the second sentence in § 145.201(a)(2) because it is redundant; this subsection requires a certificated repair station that enters into an arrangement with a noncertificated person to ''ensure that the noncertificated person follows a quality control system equivalent to the system followed by the certificated repair station.'' This requirement is already contained in § 145.217(b)(1), and its inclusion in § 145.201(a)(2) is superfluous.

Additionally, the FAA proposes to revise paragraph § 145.217(a) to reflect the same proposal for § 145.201(a)(2) to clarify that the approval and other

[13] The FAA summarized and responded to comments in the NPRM withdrawal, which did not include reference to negative comments regarding the contract maintenance proposal. See 74 FR 21287, May 7, 2009.

[14] See 14 CFR 145.5(a) and 145.201.

requirements in § 145.217 only apply when the originating certificated repair station approves an article for return to service after an outside source performs maintenance, preventive maintenance, or alterations.

The FAA is also proposing to move existing § 145.217(b)(3) into a new paragraph (a)(3). This provision currently applies when a certificated repair station contracts a maintenance function to a noncertificated person and requires that the originating certificated repair station verify, by test and/or inspection, that the work has been performed satisfactorily by the noncertificated person and that the article is airworthy before approving it for return to service. We believe the requirement to verify an outside person's work should be applicable any time the originating certificated repair station approves an article for return to service following work performed by an outside person, regardless of whether that outside person is certificated. Even if the outside person is another certificated repair station, that person would not be exercising the full privileges of its certificate because it will not be approving the article(s) for return to service. Therefore, it is imperative that the originating certificated repair station, which will be approving the article for return to service, verify that the work has been performed satisfactorily and that the article is airworthy. By moving the requirement into paragraph (a), the originating certificated repair station would be required to verify the satisfactory performance of work performed by both certificated and noncertificated outside persons and the airworthiness of the article prior to approving it for return to service.

IV. Regulatory Notices and Analyses

Federal agencies consider impacts of regulatory actions under a variety of executive orders and other requirements. First, Executive Order 12866 and Executive Order 13563, as amended by Executive Order 14094 (''Modernizing Regulatory Review''), direct that 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 (Pub. L. 96–354) requires agencies to analyze the economic impact of regulatory changes on small entities. Third, the Trade Agreements Act (Pub. L. 96–39) prohibits agencies from setting standards that create unnecessary obstacles to the foreign commerce of the United States. Fourth, the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4) requires agencies to prepare a written assessment of the costs, benefits, and other effects of proposed or final rules that include a Federal mandate that may result in the expenditure by State, local, or Tribal governments, in the aggregate, or by the private sector, of $100 million or more (adjusted annually for inflation) in any one year. The current threshold after adjustment for inflation is $177 million using the most current (2022) Implicit Price Deflator for the Gross Domestic Product. This portion of the preamble summarizes the FAA's analysis of the economic impacts of this proposed rule. We suggest readers seeking greater detail read the full regulatory analysis available in the docket for this rulemaking.

In conducting these analyses, we determined that this proposed rule: (1) has benefits that justify its costs; (2) is not an economically ''significant regulatory action'' as defined in section 3(f) of Executive Order 12866; (3) would not have a significant economic impact on a substantial number of small entities; (4) would not create unnecessary obstacles to the foreign commerce of the United States; and (5) would not impose an unfunded mandate on State, local, or Tribal governments, or on the private sector by exceeding the threshold identified above. These analyses are summarized below.

A. Summary of the Regulatory Impact Analysis

The estimated per aircraft savings is $7,974, and if 20 percent of the estimated single-engine turboprops are inspected under a manufacturer-recommended inspection program, the net annualized cost savings would be $7.4 million using a seven percent discount rate. These estimates are based on only one manufacturer offering a manufacturer-recommended inspection program (*i.e.,* the manufacturer who has developed and provided us with cost savings estimates). The FAA does not identify any new costs for unmanned aircraft, and there are unquantifiable cost savings and benefits.

B. Statement of Need for Regulatory Action

The rule proposes to revise the aircraft maintenance inspection rules for small, corporate-sized, and unmanned aircraft. The most substantial change is the addition of more inspection program options for owners and operators of single-engine turbine-powered airplanes and unmanned aircraft. Currently, owners and operators of these types of aircraft operating under part 91 are limited to annual, 100-hour, or progressive inspection programs, while unmanned aircraft operating under part 135 are limited to AAIPs or CAMPs.

This change would increase these options or, in the case of unmanned aircraft, require the selection of one of the options to include, among others, a manufacturer-recommended inspection program and an inspection program established by the registered owner or operator and approved by the Administrator. The added inspection programs would afford aircraft owners and operators more flexibility in performing aircraft inspections because they would have more options and would likely reduce inspection costs for the same. These programs would provide owners and operators of single-engine turbine-powered airplanes and unmanned aircraft with more aircraft inspection options without reducing safety.

Manufacturers will also be able to implement more efficient and effective inspection programs for new and existing fleets of aircraft, which would bolster safety, control associated costs, and likely be attractive to new and existing owners. This rulemaking does not create a burden for single-engine turbine-powered airplane owners or operators because the decision to switch aircraft inspection programs is voluntary. This rulemaking does not create a burden for unmanned aircraft owners or operators because these aircraft are already using manufacturer inspection programs under authorized exemptions. Generally speaking, a manufacturer's inspection requirements are optimized for a particular unmanned aircraft model when compared to annual inspection requirements or inspections under an AAIP or CAMP. Additionally, some maintenance-related regulations have confusing language, which has resulted in legal interpretation requests. This proposed rule would make several changes to clarify and simplify maintenance and inspection requirements for part 91 and part 125 operators and contract maintenance document retention requirements for part 145 repair stations. These clarifications would help ensure consistency in use and interpretation.

Furthermore, the FAA proposes to align reporting requirements with similar requirements in other regulations, for example, §§ 121.703, 135.415, and 145.221. Specifically, the rule proposed would lengthen the reporting interval for mechanical reliability reports, for aircraft operating under part 91, subpart K, fractional ownership rules, from 72 to 96 hours;

and (2) allow electronic report submissions.

C. Summary of Benefits and Costs

By increasing inspection options available to owners and operators of single-engine turbine-powered airplanes and unmanned aircraft, this proposal is expected to result in improved safety and net cost savings. The FAA does not identify any new costs; there are unquantifiable cost savings and benefits. Unmanned aircraft manufacturers seeking type certification or operational approval are already required to have an inspection program developed at the time the aircraft receives certification.

One manufacturer estimated that inspecting aircraft under a Maintenance Steering Group—3rd Task Force (MSG–3) (used by manufacturers to develop initial scheduled maintenance/inspection requirements) inspection program could save owners/operators approximately $7,974 per aircraft compared to an annual inspection program.

Manufacturers would incur costs to update inspection programs, but these costs would be voluntary, as the rule would not require manufacturers to develop new inspection programs. However, most manufacturers would likely choose to do so, given the relatively low associated costs compared to potential safety and customer satisfaction benefits. Furthermore, even if a manufacturer does not choose to create an inspection program for a specific type of aircraft, this rule still provides a benefit to aircraft owners and operators because it allows them to develop their own inspection program.

Improved safety will be one of this proposal's benefits because a manufacturer-developed or owner-created inspection program would be customized to the specific aircraft. This is due to the utilization of more relevant and appropriate inspection tasks and intervals. A manufacturer-developed program likely would be less invasive compared with the annual or 100-hour inspection. For example, high-utilization operators performing a 100-hour inspection frequently generate maintenance issues due to frequent disassembly, inspection, and reassembly of components. Aircraft safety would be improved by having a less invasive scheduled maintenance process. The FAA estimated cost and cost savings over a 10-year time horizon as presented in the table below. Safety benefits were not quantified.

Table 1 below presents a summary of estimated costs and cost savings for this proposal's manned aircraft maintenance programs over a 10-year time period. These estimates are based on only one manufacturer offering a manufacturer-developed inspection program, *i.e.,* the manufacturer who has developed and provided us with cost savings estimates. They result in an annualized net cost savings of $7.4 million using a 7 percent discount rate.

TABLE 3—SUMMARY OF COSTS AND COST SAVINGS

[$2020 U.S. Dollars]

10-Year total cost savings (undiscounted)	10-Year total costs (undiscounted)	10-Year net cost savings (undiscounted)	Net cost savings 7% present value	Net cost savings 3% present value	Annualized net cost savings 7%	Annualized net cost savings 3%
$77,757,841	$3,526,016	$74,231,825	$52,058,197	$63,278,086	$7,372,660	$7,392,755

To understand the maximum potential cost savings for single-engine turbine-powered airplane and unmanned aircraft owners and operators, we ran a sensitivity analysis based on the assumption that all manufacturers of this type of aircraft would develop and make available manufacturer-developed inspection programs to those owners and operators. The sensitivity analysis indicates that annualized net cost savings reach $36.8 million at a 7 percent discount rate if all manufacturers offer similar inspection programs.

1. Who is potentially affected by this proposed rule?

- Owners and operators of single-engine turbine-powered airplanes and unmanned aircraft operating under or otherwise using the inspection provisions of part 91.
- Manufacturers who choose to develop inspection programs.

2. Assumptions

- Estimates are in 2020 dollars.
- The period of analysis is 10 years.
- Annual cost savings per aircraft of opting for a manufacturer-developed and recommended inspection program over an annual inspection program is $7,974.
- The FAA uses a wage rate of $84.76 per hour adjusted for total compensation and benefits to estimate costs. This is based on compensation data for an Aerospace Engineer from the Bureau of Labor Statistics.
- Development of manufacturer-recommended inspection program would require four aerospace engineers full-time for 1 year.
- Update of these programs would require two aerospace engineers full time each year.

Estimates of the number of single-engine turbine-powered airplanes are computed using estimates of turboprops (years 2021 through 2030) from the 2018 FAA Aerospace Forecast times the average number of single-engine turboprops as a percent of total turboprops from 2012 to 2019 from the FAA General Aviation Survey, Calendar Year 2019

3. Benefits

This proposal will result in improved safety because a manufacturer-developed inspection program would be less invasive compared with an annual or 100-hour inspection. For example, high-utilization operators performing 100-hour inspections may encounter more maintenance issues due to frequent disassembly, inspection, and reassembly of components.[15] The proposed inspection programs would meet the current minimum inspection requirements for turbine-powered multi-engine airplanes.

Another benefit would be more flexible scheduling for high-utilization operators because a 100-hour or annual inspection may require more aircraft downtime.[16] The FAA has not quantified these benefits; those who benefit would be passengers and owners and operators.

[15] *Textron Aviation Inc. Petition for Rulemaking for 14 CFR 91.409.*

[16] Due to less time in maintenance the improved aircraft availability would enable our high-utilization operators more flexible scheduling. An annual or 100-hour inspection is costly considering shop equipment, labor, and aircraft downtime. Reduced operating costs may lower fares, therefore making air travel available to a wider segment of the public.'' *Textron Aviation Inc. Petition for Rulemaking for 14 CFR 91.409.*

4. Costs and Cost Savings

This proposed rule would result in net cost savings. The proposal might potentially affect all the single-engine turbine airplanes. To estimate the number of affected aircraft and the proposed rule's impact on aircraft owners and operators, we use the FAA's general aviation survey (GA Survey) that tracks the number of single-engine turbine-powered airplanes. Estimates of the number of single-engine turboprop aircraft form the basis of the analysis and, accordingly, the number of aircraft that potentially could be inspected under one of the proposed optional inspection programs instead of the annual inspection program. However, we acknowledge the uncertainty on how many manufacturers of single-engine turbine airplanes would follow the example of one manufacturer that already developed its own inspection program.

That general aviation aircraft manufacturer provided estimates of the cost differential between an MSG–3 inspection program and an annual inspection program. An MSG–3 program is a manufacturers' inspection program. Their analysis found that the total cost savings over 5 years would be $39,871 or $7,974 on average per year, per aircraft.

The cost savings would apply to only 20 percent of the estimated number of single-engine turboprops fleet ranging from 4,847 in year 1 to 4,960 in year 10. The manufacturer that has developed this inspection program and supplied us with these estimates manufactures 20 percent of single-engine turbine aircraft. As this manufacturer has actively developed the program, we think it highly likely the company would offer it to owners and operators of its aircraft. As it is likely to save these owners and operators money, we think that owners and operators would adopt the manufacturer's recommended inspection program. The result would be the following total cost savings estimate in year 1:

- Savings per aircraft × estimated Single-Engine turboprops × 20% = $7,974 × 4,847 × .2 = $7,730,502.[17]

The manufacturer has already developed the program; therefore, the development costs have already been incurred, and these development costs would not be accounted for in this analysis. This manufacturer would only incur the annual costs to maintain its inspection program it already developed. Below is the estimate of annual maintenance costs:

The annual manufacturer cost to maintain a manufacturer-recommended inspection program is as follows:

- Two aerospace engineers × loaded hourly wage rate × 2,080 hours = 2 × $84.76 × 2,080 = $352,602.

The estimated annual per aircraft savings is $7,974, and if 20 percent of the estimated single-engine turboprops are inspected under this manufacturer's inspection program, the net cost savings in the first year would be $7.3 million, undiscounted ($7.7 million undiscounted cost savings − $.4 million undiscounted maintenance costs).[18]

Table 2 presents undiscounted cost savings, costs, net costs, discounted net cost savings, and annualized cost savings based on only one manufacturer offering its recommended inspection program. The annualized net cost savings would be $7.4 million at a 7 percent discount rate.

TABLE 4—ESTIMATED NET COST SAVINGS OF ONE MANUFACTURER

[$2020 U.S. dollars] *

Year	Estimated number of single-engine turboprops	20% of the fleet achieves cost savings (undiscounted)	Costs (undiscounted)	Net cost savings (undiscounted)	Net cost savings 7% present value	Net cost savings 3% present value
1	4,847	$7,730,502	$352,602	$7,377,900	$6,895,234	$7,163,010
2	4,836	7,712,810	352,602	7,360,209	6,428,691	6,937,703
3	4,834	7,708,955	352,602	7,356,354	6,004,976	6,732,106
4	4,841	7,720,321	352,602	7,367,719	5,620,798	6,546,123
5	4,852	7,738,000	352,602	7,385,399	5,265,687	6,370,710
6	4,866	7,760,935	352,602	7,408,333	4,936,485	6,204,363
7	4,882	7,786,358	352,602	7,433,757	4,629,370	6,044,324
8	4,905	7,823,019	352,602	7,470,417	4,347,851	5,897,216
9	4,933	7,867,064	352,602	7,514,462	4,087,369	5,759,209
10	4,960	7,909,877	352,602	7,557,275	3,841,736	5,623,323
Total	.....	77,757,841	3,526,016	74,231,825	52,058,197	63,278,086
Annualized Net Cost Savings	.....	.....	.....	.....	7,411,916	7,418,122

* These numbers are subject to rounding.

5. Sensitivity Analysis

Since there are four other manufacturers producing single-engine turbine-powered aircraft in this market segment, we conducted a sensitivity analysis to illustrate the maximum potential cost savings that could be achieved by all five manufacturers—and the owners and operators of the estimated aircraft fleet if the proposed rule is adopted. The following table shows cost savings if all owners and operators of single-engine turbine-powered aircraft were to transfer to an MSG–3 program and were able to achieve an annual cost savings of $7,974 per airplane.

For Year 1 in Table 3, using 2022 forecast estimates, the annual potential cost savings of the proposed rule would be $38,652,509 [$7,974 (estimated cost savings per aircraft) × 4,847 (estimated single turboprops)]. In the remaining years in the 10-year period of analysis in Table 3, annual potential cost savings are calculated in the same manner as in Year 1 by multiplying $7,974 cost savings per aircraft with the number of forecasted aircrafts.

[17] These numbers are subject to rounding.

[18] These numbers are subject to rounding.

TABLE 5—SENSITIVITY ANALYSIS: MAXIMUM POTENTIAL COST SAVINGS

[$2020 U.S. dollars]

Year	Maximum potential cost savings (undiscounted)	7% present value	3% present value
1	$38,652,509	$36,123,840	$37,526,708
2	38,564,051	33,683,336	36,350,317
3	38,544,776	31,464,019	35,273,930
4	38,601,603	29,448,978	34,297,025
5	38,690,001	27,585,436	33,374,335
6	38,804,675	25,857,193	32,498,304
7	38,931,791	24,244,763	31,655,109
8	39,115,095	22,765,341	30,877,817
9	39,335,318	21,395,807	30,147,246
10	39,549,385	20,104,902	29,428,457
Total	388,789,204	272,673,615	331,429,247
Annualized Cost Savings		38,822,588	38,853,618

Airplane manufacturers would have had to develop the inspection programs and incur the necessary annual costs to maintain and update their inspection programs for airplane owners and operators to realize these cost savings. We estimate that each manufacturer will devote four aerospace engineers full-time for 1 year to develop the inspection program in the first year of the analysis. The development costs for five manufacturers are as follows:

- Five manufacturers × development costs = 5 × $705,203 = $3,526,016

Presented in the following table are cost savings, costs, net costs, discounted net cost savings, and annualized cost savings at their maximum potential. If all five manufacturers were to develop and offer manufacturer-recommended inspection programs, and all owners and operators of single-engine turbine-powered airplanes were to adopt these programs in place of their annual inspection programs, the annualized net cost savings would be $36.8 million at a 7 percent discount rate.

TABLE 6—SENSITIVITY ANALYSIS: MAXIMUM POTENTIAL NET COST SAVINGS *

Year	Maximum potential cost savings (undiscounted)	Costs (undiscounted)	Maximum potential net cost savings (undiscounted)	Maximum potential net cost savings 7% present value	Maximum potential net cost Savings 3% present value
1	$38,652,509	$3,526,016	$35,126,493	$32,828,498	$34,103,391
2	38,564,051	1,763,008	36,801,043	32,143,456	34,688,513
3	38,544,776	1,763,008	36,781,768	30,024,879	33,660,528
4	38,601,603	1,763,008	36,838,595	28,103,988	32,730,615
5	38,690,001	1,763,008	36,926,993	26,328,436	31,853,548
6	38,804,675	1,763,008	37,041,667	24,682,427	31,021,813
7	38,931,791	1,763,008	37,168,783	23,146,850	30,221,622
8	39,115,095	1,763,008	37,352,087	21,739,255	29,486,082
9	39,335,318	1,763,008	37,572,310	20,436,847	28,796,047
10	39,549,385	1,763,008	37,786,377	19,208,678	28,116,613
Total	388,789,204	19,393,088	369,396,116	258,643,314	314,678,773
Annualized Net Cost Savings				36,824,989	36,889,952

* Totals may not add due to rounding.

We request additional information regarding who would take advantage of this type of manufacturer's inspection program and quantified data on potential cost savings or costs. After the comment period closes and depending on what information we receive, the FAA may choose to update the estimates.

While the FAA quantified costs and cost savings, the rule would also result in unquantified cost savings by simplifying, clarifying, correcting terms, allowing for electronic data submission, and allowing an additional 24 hours to submit a mechanical reliability report.

D. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA) of 1980, (5 U.S.C. 601–612), as amended by the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121) and the Small Business Jobs Act of 2010 (Pub. L. 111–240), requires Federal agencies to consider regulatory action effects on small business and other small entities and to minimize any significant impact. The term ''small entities'' comprises small businesses and not-for-profit organizations that are independently owned and operated and are not dominant in their fields and governmental jurisdictions with populations of less than 50,000.

We believe this proposed rule would not have a significant impact on a substantial number of entities for the following reasons:

- The rule would not impose mandatory costs on small entities or result in any new costs to maintain the manufacturer inspection program.
- It is likely to result in cost savings on the order of about $8,000 per aircraft

for those small entities who voluntarily choose to use a manufacturer inspection program on their aircraft.

Therefore, for the reasons provided, we certify that this proposed rulemaking will not result in a significant economic impact on a substantial number of small entities.

The FAA solicits comments regarding this determination.

E. International Trade Impact Assessment

The Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. Pursuant to these Acts, the establishment of standards is not considered an unnecessary obstacle to the foreign commerce of the United States, so long as the standard has a legitimate domestic objective, such as the protection of safety, and does not operate in a manner that excludes imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

The FAA has assessed the potential effect of this proposed rule and determined that it would only have a domestic impact; therefore, it will not create unnecessary obstacles to United States foreign commerce.

F. Unfunded Mandates Assessment

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) governs the issuance of Federal regulations that require unfunded mandates. An unfunded mandate is a regulation that requires a State, local, or Tribal government or the private sector to incur direct costs without the Federal government having first provided the funds to pay those costs.

The FAA determined that the proposed rule will not result in the expenditure of $165 million or more by State, local, or Tribal governments, in the aggregate, or the private sector, in any one year.

G. Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)) requires that the FAA consider the impact of paperwork and other information collection burdens imposed on the public. We have determined this proposed rule will not result in any new information collection requirements.

The FAA proposes to lengthen the reporting interval for mechanical reliability reports, for aircraft operating under part 91, subpart K, fractional ownership rules, from 72 to 96 hours, and allow electronic report submissions. This increase in the reporting interval would align the requirement with similar reporting requirements in other regulations, for example, 14 CFR 121.703, 135.415, and 145.221.

Currently, the general aviation public, including part 91, subpart K, owners and operators, use FAA Form 8010–4, Malfunction and Defect Report, to submit voluntary reporting of occurrences or detection of failure, malfunctions, or defects. Approval to collect such information previously was granted by the Office of Management and Budget (OMB) under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)) and was assigned OMB Control Number 2120–0663.

The supporting statement submitted to OMB for renewal of the Collection of Information 2120–0663 in October 2020 estimated that 2,000 respondents from the General Aviation public each year would use Form 8010–4 by spending 10 minutes each for an annual 334 total burden hours. The proposed change would simply align the required reporting interval from 72 hours to 96 hours with similar requirements for part 121, part 135, and part 145 operators of 14 CFR and would neither decrease nor increase the current burden hours on 2,000 respondents.

Therefore, we determined that there would be no new information collection requirements associated with the proposal to increase the reporting timeframe for mechanical reliability reports in 14 CFR 91.1415 from 72 to 96 hours and to allow for electronic submissions.

H. International Compatibility

In keeping with U.S. obligations under the Convention on International Civil Aviation, it is FAA policy to conform to International Civil Aviation Organization (ICAO) Standards and Recommended Practices to the maximum extent practicable. The FAA has reviewed the corresponding ICAO Standards and Recommended Practices and has identified no differences with these proposed regulations.

I. Environmental Analysis

FAA Order 1050.1F identifies FAA actions that are categorically excluded from preparation of an environmental assessment or environmental impact statement under the National Environmental Policy Act (NEPA) in the absence of extraordinary circumstances. The FAA has determined this rulemaking action qualifies for the categorical exclusion identified in paragraph 5–6.6f and involves no extraordinary circumstances.

V. Executive Order Determinations

A. Executive Order 13132, Federalism

The FAA has analyzed this proposed rule under the principles and criteria of Executive Order (E.O.) 13132, Federalism. We determined this action would not have a substantial direct effect on the States, or the relationship between the Federal Government and the States, or on the distribution of power and responsibilities among the various levels of government; therefore, it will not have any federalism implications.

B. Executive Order 13175, Consultation and Coordination With Indian Tribal Governments

Consistent with Executive Order 13175, Consultation and Coordination with Indian Tribal Governments,[19] and FAA Order 1210.20, American Indian and Alaska Native Tribal Consultation Policy and Procedures,[20] the FAA ensures that Federally Recognized Tribes (Tribes) are given the opportunity to provide meaningful and timely input regarding proposed Federal actions that have the potential to affect uniquely or significantly their respective Tribes. Our proposal analysis has not identified any unique or significant effects, environmental or otherwise, on tribes.

C. Executive Order 13211, Regulations That Significantly Affect Energy Supply, Distribution, or Use

We analyzed this proposed rule under Executive Order 13211, Actions Concerning Regulations that Significantly Affect Energy Supply, Distribution, or Use (May 18, 2001) and determined that it would not be a ''significant energy action'' under the executive order and would not be likely to have a significant adverse effect on the supply, distribution, or use of energy.

D. Executive Order 13609, International Cooperation

Executive Order 13609, Promoting International Regulatory Cooperation, promotes international regulatory cooperation to meet shared challenges involving health, safety, labor, security, environmental, and other issues and to reduce, eliminate, or prevent

[19] 65 FR 67249 (Nov. 6, 2000).

[20] FAA Order No. 1210.20 (Jan. 28, 2004), available at *www.faa.gov/documentLibrary/media/1210.pdf.*

unnecessary differences in regulatory requirements.

We analyzed this action under the policies and agency responsibilities of E.O. 13609 and determined that this action would have no effect on international regulatory cooperation.

VI. Additional Information

A. Comments Invited

We invite 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 the proposals in this document. The most helpful comments reference a specific portion of the proposal, explain the reason for any recommended change, and include supporting data. To ensure the docket does not contain duplicate comments, commenters should submit only one time if comments are filed electronically, or commenters should send only one copy of written comments if comments are filed in writing.

We will file in the docket all comments it receives, as well as a report summarizing each substantive public contact with FAA personnel concerning this proposed rulemaking. Before acting on this proposal, we will consider all comments that we receive on or before the comments closing date; however, we will consider comments filed after the comment period has closed if it is possible to do so without incurring expense or delay. We may change this proposal in light of the comments that are received.

B. Availability of Rulemaking Documents

An electronic copy of rulemaking documents may be obtained from the internet by—

1. Searching the Federal eRulemaking Portal *www.regulations.gov;*
2. Visiting the FAA's Regulations and Policies web page at *www.faa.gov/regulations_policies/;* or
3. Accessing the Government Printing Office's web page at *www.GovInfo.com.*

Copies may also be obtained by sending a request to the Federal Aviation Administration, Office of Rulemaking, ARM–1, 800 Independence Avenue SW, Washington, DC 20591, or by calling (202) 267–9677. Commenters must identify the docket or notice number of this rulemaking.

All documents the FAA considered in developing this proposed rule, including economic analyses and technical reports, may be accessed from the internet through the Federal eRulemaking Portal referenced in item (1) above.

C. Confidential Business Information

Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to this NPRM contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this NPRM, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission containing CBI as ''PROPIN.'' The FAA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this NPRM. Submissions containing CBI should be sent to the person in the **FOR FURTHER INFORMATION CONTACT** section of this document. Any commentary that the FAA receives that is not specifically designated as CBI will be placed in the public docket for this rulemaking.

D. Electronic Access and Filing

A copy of this NPRM, all comments received, any final rule, and all background material may be viewed online at *www.regulations.gov* using the docket number listed above. A copy of this proposed rule will be placed in the docket. Electronic retrieval help and guidelines are available on the website. It is available 24 hours each day, 365 days each year. An electronic copy of this document may also be downloaded from the Office of the Federal Register's website at *www.federalregister.gov* and the Government Publishing Office's website at *www.govinfo.gov.* A copy may also be found at the FAA's Regulations and Policies website at *www.faa.gov/regulations_policies.*

Copies may also be obtained by sending a request to the Federal Aviation Administration, Office of Rulemaking, ARM–1, 800 Independence Avenue SW, Washington, DC 20591, or by calling (202) 267–9677. Commenters must identify the docket or notice number of this rulemaking.

All documents the FAA considered in developing this proposed rule, including economic analyses and technical reports, may be accessed in the electronic docket for this rulemaking.

E. Small Business Regulatory Enforcement Fairness Act

The Small Business Regulatory Enforcement Fairness Act (SBREFA) of 1996 requires the FAA to comply with small entity requests for information or advice about compliance with statutes and regulations within its jurisdiction. A small entity with questions regarding this document may contact its local FAA official or the person listed under the **FOR FURTHER INFORMATION CONTACT** heading at the beginning of the preamble. To find out more about SBREFA on the internet, visit *www.faa.gov/regulations_policies/rulemaking/sbre_act/.*

List of Subjects

14 CFR Part 91

Air carrier, Air taxis, Aircraft, Aviation safety, Charter flights, Reporting and recordkeeping requirements, Transportation.

14 CFR Part 125

Aircraft, Aviation safety.

14 CFR Part 135

Air taxis, Aircraft, Aviation safety.

14 CFR Part 137

Agriculture, Aircraft, Aviation safety.

14 CFR Part 145

Aircraft, Aviation safety.

The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend chapter I of title 14, Code of Federal Regulations as follows:

PART 91—GENERAL OPERATING AND FLIGHT RULES

■ 1. The authority citation for part 91 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g), 40101, 40103, 40105, 40113, 40120, 44101, 44111, 44701, 44704, 44709, 44711, 44712, 44715, 44716, 44717, 44722, 46306, 46315, 46316, 46504, 46506–46507, 47122, 47508, 47528–47531, 47534, Pub. L. 114–190, 130 Stat. 615 (49 U.S.C. 44703 note); articles 12 and 29 of the Convention on International Civil Aviation (61 Stat. 1180), (126 Stat. 11).

■ 2. Amend § 91.401 by revising paragraph (c) to read as follows:

§ 91.401 Applicability.

* * * * *

(c) Sections 91.405 and 91.409 do not apply to—

(1) An airplane inspected in accordance with part 125 of this chapter.

(2) An aircraft inspected in accordance with an approved aircraft

inspection program under part 135 of this chapter and so identified by the registration number in the operations specifications of the certificate holder having the approved aircraft inspection program.

(3) An aircraft that carries a special flight permit.

(4) An aircraft that carries a current experimental, light-sport, or provisional airworthiness certificate, unless specified in an additional operating limitation under § 91.317 or § 91.319.

■ 3. Amend § 91.403 by revising paragraph (c) and adding paragraph (e) to read as follows:

§ 91.403 General.

* * * * *

(c) No person may operate an aircraft for which a manufacturer's maintenance manual or instructions for continued airworthiness has been issued that contains an airworthiness limitations section unless:

(1) The mandatory replacement times, inspection intervals, and related procedures specified in the airworthiness limitations section have been complied with; or

(2) Alternative inspection intervals and related procedures set forth in a continuous airworthiness maintenance program approved by the Administrator and authorized by operations specifications under part 121 or 135 of this chapter, or management specifications under subpart K of this part have been complied with; or

(3) Alternative inspection intervals and related procedures set forth in an inspection program authorized for use under § 91.409(f) have been complied with.

* * * * *

(e) No person may operate an aircraft under a special flight permit unless it is operated in accordance with any conditions and limitations issued by the Administrator and it has been inspected to the extent necessary to determine the aircraft is in a condition for safe operation for the intended flight.

■ 4. Amend § 91.405 by revising paragraphs (a), (c), and (d) to read as follows:

§ 91.405 Maintenance required.

* * * * *

(a) Shall have that aircraft inspected as prescribed in this subpart and shall, between required inspections, except as provided in paragraph (c) of this section, have discrepancies evaluated and dispositioned or corrected, as appropriate, through inspection, overhaul, repair, preservation, or the replacement of parts, in accordance with part 43 of this chapter, or appropriately deferred as provided in § 91.213;

* * * * *

(c) Shall, at each required inspection, have any inoperative instrument or item of equipment that is permitted to be inoperative by § 91.213(d)(2), and that has not been repaired, replaced, or removed inspected to ensure that the inoperative instrument or item of equipment will not have an adverse effect on the continued safe operation of the aircraft; and

(d) Shall ensure that when inoperative instruments or equipment are present, a placard marking it ''inoperative'' has been installed as required by § 43.11 of this chapter.

■ 5. Amend § 91.409 by:

■ a. Adding a heading for paragraph (a);

■ b. Revising paragraphs (b), (c), (e), (f) introductory text, and (f)(1), (3), and (4);

■ c. Removing the undesignated paragraph following paragraph (f)(4); and

■ d. Revising paragraphs (g) introductory text and (g)(1).

The addition and revisions read as follows:

§ 91.409 Inspections.

(a) *Annual inspections.* * * *

(b) *100 hour inspections.* Except as provided in paragraph (c) of this section, no person may operate an aircraft carrying any person (other than a crewmember) for hire, no person may give flight instruction for hire in an aircraft which that person provides, and no person may operate an aircraft over congested areas under part 137 of this chapter unless within the preceding 100 hours of time in service the aircraft has received an annual or 100-hour inspection and been approved for return to service in accordance with part 43 of this chapter or has received an inspection for the issuance of an airworthiness certificate in accordance with part 21 of this chapter. The 100-hour limitation may be exceeded by not more than 10 hours while en route to reach a place where the inspection can be done. The excess time used to reach a place where the inspection can be done must be included in computing the next 100 hours of time in service.

(c) *Applicability of annual and 100 hour inspections.* Paragraphs (a) and (b) of this section do not apply to—

(1) An aircraft authorized by the Administrator to be inspected in accordance with a progressive inspection program under paragraph (d) of this section;

(2) An aircraft subject to the requirements of paragraph (e)(1) of this section; or

(3) Turbine-powered rotorcraft or single-engine turbine-powered airplanes when the owner or operator elects to inspect that aircraft in accordance with paragraph (e)(2) of this section.

* * * * *

(e) *Large airplanes (which are not inspected in accordance with part 125 of this chapter), turbine-powered airplanes and rotorcraft, and unmanned aircraft*—(1) *Large airplanes, multiengine turbine-powered airplanes, and unmanned aircraft.* Except as specified in § 91.401, no person may operate a large airplane, multiengine turbine-powered airplane, or unmanned aircraft unless the replacement times for life-limited parts specified in the aircraft specifications, type data sheets, or other documents approved by the Administrator are complied with and the aircraft, including the airframe, engines, propellers, rotors, appliances, survival equipment, and emergency equipment, is inspected in accordance with an inspection program selected under the provisions of paragraph (f) of this section.

(2) *Turbine-powered rotorcraft and single-engine turbine-powered airplanes.* In lieu of paragraph (a), (b), or (d) of this section, the owner or operator of a turbine-powered rotorcraft or a single-engine turbine-powered airplane may elect to use an inspection program selected under the provisions of paragraph (f) of this section. If an alternate inspection program is selected, no person may operate the aircraft unless the replacement times for life-limited parts specified in the aircraft specifications, type data sheets, or other documents approved by the Administrator are complied with and the aircraft, including the airframe, engines, propellers, rotors, appliances, survival equipment, and emergency equipment, is inspected in accordance with the inspection program.

(f) *Selection of inspection program under paragraph (e) of this section.* The registered owner or operator of each aircraft that is required to or has opted to use an inspection program under this section, as described in paragraph (e) of this section, must select, identify in the aircraft maintenance records, and use one of the following programs for the inspection of the aircraft. Each operator shall make a copy of the selected program available to the person performing inspections on the aircraft and, upon request, to the Administrator.

(1) An inspection program that is part of a continuous airworthiness maintenance program currently in use by a person holding an air carrier certificate or an operating certificate

issued under part 121 or 135 of this chapter and operating that make and model aircraft under part 121 of this chapter or operating that make and model under part 135 of this chapter and maintaining it under § 135.411(a)(2) of this chapter.

* * * * *

(3) An inspection program recommended by the manufacturer that was the most current program available at the time of selection and identified in the aircraft maintenance records.

(4) Any other inspection program established by the registered owner or operator and approved by the Administrator for that aircraft under paragraph (g) of this section. The Administrator may require revision of this inspection program in accordance with the provisions of § 91.415.

(g) *Inspection program approved under paragraph (e) of this section.* Each operator of an aircraft desiring to establish or change an approved inspection program under paragraph (f)(4) of this section must submit the program for approval in a manner acceptable to the FAA. The program must be in writing and include at least the following information:

(1) Instructions and procedures for the conduct of inspections for the particular make and model aircraft, including necessary tests and checks. The instructions and procedures must set forth in detail the parts and areas of the airframe, engines, propellers, rotors, and appliances, including survival and emergency equipment required to be inspected.

* * * * *

■ 6. Amend § 91.415 by revising paragraph (a) to read as follows:

§ 91.415 Changes to aircraft inspection programs.

(a) Whenever the Administrator finds that revisions to an inspection program approved under § 91.409(f)(4) or § 91.1109 or § 125.247(e)(3) of this chapter are necessary for the continued adequacy of the program, the owner or operator must, after notification by the Administrator, make any changes in the program found to be necessary by the Administrator.

* * * * *

■ 7. Amend § 91.501 by revising paragraph (a) to read as follows:

§ 91.501 Applicability.

(a) This subpart prescribes operating rules, in addition to those prescribed in other subparts of this part, governing the operation of large airplanes of U.S. registry, turbojet-powered multiengine civil airplanes of U.S. registry, and fractional ownership program aircraft of U.S. registry that are operating under subpart K of this part in operations not involving common carriage. The operating rules in this subpart do not apply to those aircraft when they are required to be operated under parts 121, 125, 129, 135, and 137 of this chapter.

* * * * *

■ 8. Amend § 91.1415 by revising the section heading and paragraph (d) to read as follows:

§ 91.1415 CAMP: Service difficulty reports.

* * * * *

(d) Each program manager shall submit each report required by this section, covering each 24-hour period beginning at 0900 local time of each day and ending at 0900 local time on the next day, to the FAA offices in Oklahoma City, Oklahoma. Each report of occurrences during a 24-hour period shall be submitted to the collection point within the next 96 hours. However, a report that is due on Saturday or Sunday may be submitted on the following Monday, and a report due on a holiday may be submitted on the next workday.

* * * * *

PART 125—CERTIFICATION AND OPERATIONS: AIRPLANES HAVING A SEATING CAPACITY OF 20 OR MORE PASSENGERS OR A MAXIMUM PAYLOAD CAPACITY OF 6,000 POUNDS OR MORE; AND RULES GOVERNING PERSONS ON BOARD SUCH AIRCRAFT

■ 9. The authority citation for part 125 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g), 40113, 44701–44702, 44705, 44710–44711, 44713, 44716–44717, 44722.

■ 10. Amend § 125.247 by revising paragraphs (a)(3), (d), and (e) to read as follows:

§ 125.247 Inspection programs and maintenance.

(a) * * *

(3) The airplane, including airframe, aircraft engines, propellers, appliances, and survival and emergency equipment, and their component parts, is inspected in accordance with an inspection program authorized by the Administrator under paragraph (e) of this section.

* * * * *

(d) No person may operate an airplane subject to this part unless—

(1) The installed engines have been maintained in accordance with the overhaul periods recommended by the manufacturer or a period approved by the Administrator; and

(2) The engine overhaul periods, or a reference to where they can be found, are specified in the certificate holder's operations specifications.

(e) Inspection programs that may be authorized for use under this part include, but are not limited to—

(1) An inspection program that is a part of a current continuous airworthiness maintenance program approved for use by a certificate holder under part 121 or 135 of this chapter;

(2) An inspection program recommended by the manufacturer of the aircraft that was the most current program available at the time of selection and authorization under this part; or

(3) An inspection program developed by a certificate holder under this part and approved by the Administrator. The Administrator may require revision of this inspection program in accordance with the provisions of § 91.415 of this chapter.

PART 135—OPERATING REQUIREMENTS: COMMUTER AND ON DEMAND OPERATIONS AND RULES GOVERNING PERSONS ON BOARD SUCH AIRCRAFT

■ 11. The authority citation for part 135 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g), 40113, 41706, 44701–44702, 44705, 44709, 44711–44713, 44715–44717, 44722, 44730, 45101–45105; Pub. L. 112–95, 126 Stat. 58 (49 U.S.C. 44730).

■ 12. Amend § 135.411 by revising paragraph (a)(2) to read as follows:

§ 135.411 Applicability.

(a) * * *

(2) Aircraft that are type certificated for a passenger seating configuration, excluding any pilot seat, of ten seats or more, shall be maintained under a continuous airworthiness maintenance program in §§ 135.415, 135.417, and 135.423 through 135.443.

* * * * *

PART 137—AGRICULTURAL AIRCRAFT OPERATIONS

■ 13. The authority citation for part 137 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 44701–44702.

■ 14. Amend § 137.53 by revising paragraph (c) to read as follows:

§ 137.53 Operation over congested areas: Pilots and aircraft.

* * * * *

(c) *Aircraft.* Each aircraft, other than a helicopter, must be equipped with a device capable of jettisoning at least

one-half of the aircraft's maximum authorized load of agricultural material within 45 seconds. If the aircraft is equipped with a device for releasing the tank or hopper as a unit, there must be a means to prevent inadvertent release by the pilot or other crewmember.

PART 145—REPAIR STATIONS

■ 15. The authority citation for part 145 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701–44702, 44707, 44709, 44717.

■ 16. Amend § 145.109 by revising paragraph (d) to read as follows:

§ 145.109 Equipment, materials, and data requirements.

* * * * *

(d) A certificated repair station must maintain, in a format acceptable to the FAA, the documents and data required for the performance of maintenance, preventive maintenance, and alterations under its repair station certificate and operations specifications in accordance with part 43 of this chapter. These documents and data must be accessible when the relevant work is being done.

■ 17. Amend § 145.201 by revising paragraph (a)(2) to read as follows:

§ 145.201 Privileges and limitations of certificate.

(a) * * *

(2) Arrange for another person to perform the maintenance, preventive maintenance, or alterations of any article. The certificated repair station may approve an article for return to service following the maintenance, preventive maintenance, or alterations performed on the article by the other person if—

(i) The certificated repair station is rated to perform maintenance, preventive maintenance, or alterations on the article; and

(ii) The requirements for contract maintenance in § 145.217 have been met.

* * * * *

■ 18. Amend § 145.217 by:

■ a. Revising paragraph (a) introductory text;

■ b. Removing ''; and'' at the end of paragraph (a)(1) and adding a period in its place;

■ c. Adding paragraph (a)(3);

■ d. Adding the word ''and'' at the end of paragraph (b)(1);

■ e. Removing ''; and'' at the end of paragraph (b)(2) and adding a period in its place; and

■ f. Removing paragraph (b)(3).

The revision and addition read as follows:

§ 145.217 Contract maintenance.

(a) A certificated repair station may approve an article for return to service following the maintenance, preventive maintenance, or alterations performed on an article by an outside source under contract or other arrangement, in accordance with § 145.201(a)(2), provided all the following conditions are met:

* * * * *

(3) The certificated repair station verifies, by test and/or inspection, that the work has been performed satisfactorily by the other person and that the article is airworthy before approving it for return to service.

* * * * *

Issued under authority provided by 49 U.S.C. 106(f), 44701(a), and 44707 in Washington, DC.

Robert M. Ruiz,

Deputy Executive Director, Flight Standards Service.

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DEPARTMENT OF THE TREASURY

Financial Crimes Enforcement Network

31 CFR Part 1010

RIN 1506–AB65

Proposal of Special Measure Regarding Al-Huda Bank, as a Foreign Financial Institution of Primary Money Laundering Concern

AGENCY: Financial Crimes Enforcement Network (FinCEN), Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: FinCEN is issuing a notice of proposed rulemaking (NPRM), pursuant to section 311 of the USA PATRIOT Act, that proposes prohibiting the opening or maintaining of a correspondent account in the United States for, or on behalf of, Al-Huda Bank, a foreign financial institution based in Iraq found to be of primary money laundering concern.

DATES: Written comments on the notice of proposed rulemaking must be submitted on or before March 1, 2024.

ADDRESSES: Comments must be submitted by one of the following methods:

- *Federal E-rulemaking Portal: https://www.regulations.gov.* Follow the instructions for submitting comments. Refer to Docket Number FINCEN–2024–0001 in the submission.
- *Mail:* Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183. Refer to Docket Number FINCEN–2024–0001 in the submission.

Please submit comments by one method only and note that comments submitted in response to this NPRM will become a matter of public record.

FOR FURTHER INFORMATION CONTACT: The FinCEN Regulatory Support Section at 1–800–767–2825 or electronically at *frc@fincen.gov.*

SUPPLEMENTARY INFORMATION:

I. Statutory Provisions

Section 311 of the USA PATRIOT Act (section 311), codified at 31 U.S.C. 5318A, grants the Secretary of the Treasury (Secretary) authority, upon finding that reasonable grounds exist for concluding that one or more financial institutions operating outside of the United States is of primary money laundering concern, to require domestic financial institutions and domestic financial agencies to take certain ''special measures.'' [1] The authority of the Secretary to administer the Bank Secrecy Act (BSA) and its implementing regulations has been delegated to FinCEN.[2]

The five special measures set out in section 311 are safeguards that may be employed to defend the U.S. financial system from money laundering and terrorist financing risks. The Secretary may impose one or more of these special measures in order to protect the U.S. financial system from such threats. Through special measures one through four, the Secretary may impose additional recordkeeping, information collection, and reporting requirements on covered domestic financial institutions and domestic financial agencies—collectively, ''covered financial institutions.'' [3] Through special measure five, the Secretary may prohibit, or impose conditions on, the opening or maintaining in the United States of correspondent or payable-

[1] On October 26, 2001, the President signed into law the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107–56 (USA PATRIOT Act). Title III of the USA PATRIOT Act amended the anti-money laundering (AML) provisions of the Bank Secrecy Act (BSA) to promote the prevention, detection, and prosecution of international money laundering and the financing of terrorism. The BSA, as amended, is the popular name for a collection of statutory authorities that FinCEN administers that is codified at 12 U.S.C. 1829b, 1951–1960 and 31 U.S.C. 5311–5314, 5316–5336, and includes other authorities reflected in notes thereto. Regulations implementing the BSA appear at 31 CFR Chapter X.

[2] Pursuant to Treasury Order 180–01 (Jan. 14, 2020), the authority of the Secretary to administer the BSA, including, but not limited to, 31 U.S.C. 5318A, has been delegated to the Director of FinCEN.

[3] 31 U.S.C. 5318A(b)(1)–(b)(4). For definition of ''covered financial institutions,'' *see* 31 CFR 1010.100(t) and section V.A.3 of this notice.