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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 145

[**Docket No.: FAA-2003-**16112 ; **Amendment No.** 22]

RIN 2120-AI07

Repair Stations: Service Difficulty Reporting

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; request for comments.

SUMMARY: This final rule amends the regulations governing service difficulty reports (SDRs) submitted to the FAA by aeronautical repair stations. The FAA is clarifying which type of failures, malfunctions, and defects repair stations must report. Finally, FAA is replacing certain section references with part references. This action will eliminate the need to revise repair station regulations if the FAA revises SDR rules.

DATES: Effective January 31, 2004.

Comments for inclusion in the Rules Docket must be received on or before [Insert date 30 days after publication].

ADDRESSES: You may send comments [identified by Docket Number FAA-2003- using any of the following methods:

- DOT Docket web site: Go to http://dms.dot.gov and follow the instructions for sending your comments electronically.
- Government-wide rulemaking web site: Go to http://www.regulations.gov and follow the instructions for sending your comments electronically.

- Mail: Docket Management Facility; US Department of Transportation, 400 Seventh Street, S.W., Nassif Building, Room PL-401, Washington, DC 20590-001.
- Fax: 1-202-493-2251.
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FOR FURTHER INFORMATION CONTACT: Diana L. Frohn, General Aviation and Repair Station Branch, AFS–340, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591; telephone (202) 267-7027; facsimile (202) 267-5118., e-mail diana.frohn@faa.gov.

SUPPLEMENTARY INFORMATION:

Comments Invited

FAA is adopting this final rule without prior notice and prior public comment. FAA finds such action necessary for good cause. Notice and comment procedures would be impracticable, unnecessary, and contrary to the public interest. This amendment presents no change in current industry practice. Further, without this amendment, repair stations will not be able to comply with a recent revision to part 145 that becomes effective January 31, 2004, because it would contain section numbers that would not be in effect. The Regulatory Policies and Procedures of the Department of Transportation (DOT) (44 FR 1134; February 26, 1979), however, provide that, to the maximum extent possible, operating administrations for DOT should provide an opportunity for public comment on regulations issued without prior notice. Accordingly, we invite interested persons to participate in this rulemaking by submitting such written data, views, or arguments, as they may desire. We also invite comments relating to environmental, energy, federalism, or international trade impacts that might result from this amendment. Please include the regulatory docket or amendment number and send two copies to the address above. We will file all comments received, as well as a report summarizing each substantive public contact with FAA personnel on this rulemaking, in the public docket. The docket is available for public inspection before and after the comment closing date.

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

FAA will consider all comments received on or before the closing date for comments. We will consider late comments to the extent practicable. We may amend this final rule in light of the comments received.

Commenters who want FAA to acknowledge receipt of their comments submitted in response to this final rule must include a preaddressed, stamped postcard with those comments on which the following statement is made: "Comments to Docket No. FAA-2003-XXXXX." The postcard will be date-stamped by FAA and mailed to the commenter.

Availability of Rulemaking Documents

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(2) Visiting the Office of Rulemaking's web page at http://www.faa.gov/avr/arm/index.cfm; or

(3) Accessing the Government Printing Office's web page at http://www.access.gpo.gov/su_docs/aces/aces140.html.

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Background

On September 8, 2000, FAA issued "Service Difficulty Reports; Final rule, request for comments on the information collection" (65 FR 56192; September 15, 2000). That

final rule amended the requirements in 14 CFR parts 121, 125, 135, and 145 for reporting failures, malfunctions, and defects of aircraft, aircraft engines, systems, and components. In that rulemaking action, FAA amended §§ 145.63 and 145.79 to —

(1) increase the time period for repair stations to report failures, malfunctions, or defects from 72 hours to 96 hours; and

(2) allow a repair station to submit service difficulty reports (SDRs) on behalf of part 121, 125, and 135 certificate holders.

Section 145.63, paragraphs (c) and (d) and § 145.79, paragraphs (e)(1) through (e)(3), specified the sections of parts 121, 125, and 135 that allow certificated repair stations to submit SDRs for part 121, 125, and 135 certificate holders.

On July 30, 2001, FAA issued "Repair Stations; Final rule with request for comments and direct final rule with request for comments," (66 FR 41088; August 6, 2001). In that rulemaking action, FAA further amended §§ 145.63 and 145.79 by—

(1) combining the provisions of §§ 145.63 and 145.79 and re-designating the requirements as § 145.221, Service Difficulty Reporting;

(2) standardizing the requirements for reporting failures, malfunctions, or defects to apply to all certificated repair stations, regardless of location;

(3) replacing the phrases "serious defect" and "other unairworthy condition" with the phrase "failure, malfunction, or defect"; and

(4) including language that would allow repair stations to submit SDRs to FAA in a format acceptable to the Administrator.

That amendment to part 145 becomes effective January 31, 2004.

Statement of the Problem

After issuing the SDR final rule, FAA received extensive comments opposing the rule. To give the agency time to consider industry's concerns about the SDR final rule, the FAA previously extended the effective date of the SDR rule. The FAA is again extending the effective date of the SDR rule this time to January 30, 2006. This extension affects the July 2001 repair station reporting final rule, because that amendment to part 145 will become effective January 31, 2004, and it references sections in parts 121, 125, and 135 that will now not become effective until

January 30, 2006.

Also, several repair stations have expressed concern about FAA's removal in July 2001 of the word "serious" to describe the type of defect that must be reported. Repair stations contend the language in § 145.221(a) requires them to report all failures, malfunctions, or defects, regardless of severity.

FAA Action

To avoid the need to amend § 145.221 to track specific sections of parts 121, 125, and 135, FAA is amending § 145.221 by removing references to specific sections in parts 121, 125, and 135. FAA is replacing the specific section references with the applicable part numbers. This amendment will require repair stations to follow whatever requirements are set out in parts 121, 125, and 135, depending on the certificate holder.

Also, FAA agrees with the repair station industry concerning the word "serious". It was not the agency's intent to require repair stations to report "any" failure, malfunction, or defect. When FAA combined §§ 145.63 and 145.79 to create § 145.221, FAA standardized language in that section to match language in parts 121, 125, and 135,

which do not include the word "serious." In doing so, FAA removed the word "serious" to describe the type of failures, malfunctions, and defects repair stations must report. Again, it was not FAA's intent to require repair stations to report all failures, malfunctions, and defects. Repair stations are required to report only serious failures, malfunctions, and defects. Therefore, FAA is reinserting the word "serious" before the word "failure" in § 145.211(a).

Effect of this Action

This action becomes effective on January 31, 2004, along with the new requirements for part 145 issued on July 30, 2001. Repair stations submitting SDRs for part 121, 125, or 135 certificate holders will be required to report in accordance with the requirements of the appropriate part. For example, a repair station reporting a failure, malfunction, or defect for a part 121 certificate holder would submit the report in accordance with whatever provisions of part 121 are in effect on the date the report is sent. By removing references to specific sections in parts 121, 125, and 135, FAA will be able to amend the requirements for SDRs in the future without making further amendments to part 145.

FAA notes the repair station industry should interpret the word "serious" the same way it is interpreted under the current rule. Repair stations should continue to report failures, malfunctions, or defects as they are currently reported. This amendment will not change current practice in determining which failures, malfunctions, or defects repair stations should report.

Small Business Regulatory Enforcement Fairness Act

The Small Business Regulatory Enforcement Fairness Act (SBREFA) of 1996 requires FAA to comply with small entity requests for information or advice about compliance with statutes and regulations within its jurisdiction. Therefore, any small entity that has a question regarding this document may contact their local FAA official, or the person listed under FOR FURTHER INFORMATION CONTACT. You can find out more about SBREFA on the Internet at our site, http://www.gov/avr/arm/sbrefa.htm. For more information on SBREFA, e-mail us at 9-AWA-SBREFA@faa.gov.

Paperwork Reduction Act

Information collection requirements on service difficulty reporting have previously been approved by the Office of Management and Budget (OMB) under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. section 3507(d)), and have been assigned OMB Control Number 2120-0682.

International Compatibility

In keeping with U.S. obligations under the Convention on International Civil Aviation, it is FAA policy to comply with International Civil Aviation Organization (ICAO) Standards and Recommended Practices to the maximum extent practicable. FAA has reviewed the corresponding ICAO Standards and Recommended Practices and has identified some differences with these regulations.

Economic Summary, Regulatory Flexibility Act, Trade Impact Assessment, and Unfunded Mandates Assessment

Economic Summary

Changes to Federal regulations must undergo several economic analyses. First, Executive Order 12866 directs each Federal agency to propose or adopt a regulation only upon a reasoned determination that the benefits of the intended regulation justify its costs. Second, the Regulatory Flexibility Act of 1980 requires agencies to analyze the economic impact of regulatory changes on small entities. Third, the Trade Agreements Act (19 U.S.C. section 2531-2533) prohibits agencies from setting standards that create unnecessary obstacles to the foreign commerce of the United States. In developing U.S. standards, this Trade Agreements Act also requires agencies to consider international standards and, where appropriate, use them as the basis for U.S. standards Fourth, the Unfunded Mandates Reform Act of 1995 (Public Law 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 likely to result in the expenditure by State, local, or tribal governments, in the aggregate, or by the private sector, of $100 million or more annually (adjusted for inflation.)

In conducting these analyses, FAA has determined that this rule: (1) will generate benefits and will not impose any costs, is not a "significant regulatory action" as defined in section 3(f) of Executive Order 12866, and is not "significant" as defined in DOT's Regulatory Policies and Procedures; (2) will not have a significant economic impact on a substantial number of small entities; (3) will not constitute a barrier to international trade; and (4) does not impose an unfunded mandate on state, local, or tribal governments, or on the private sector.

Department of Transportation (DOT) Order 2100.5 prescribes policies and procedures for simplification, analysis, and review of regulations. If it is determined that the expected impact is so minimal that the rule does not warrant a full evaluation, a statement to that effect and the basis for the determination is included in the preamble to the rule. Given the reasons presented below, FAA has determined the expected impact of this rule is minimal and the final rule does not warrant a full evaluation.

This amendment will remove specific references found in 14 CFR parts 121, 125, and 135 concerning the requirements for SDRs. This change will eliminate the need to revise part 145 when revising the SDR requirements in the future. Also, the amendment will require repair stations to submit the reports for "serious" failures, malfunctions, and defects, as intended originally. The costs associated with these provisions were addressed in both the Service Difficulty Reports final rule (65 FR 56192; September 15, 2000) and the Repair Stations final rule (66 FR 41088; August 6, 2001).

Regarding benefits, this rule will provide repair stations some cost savings by limiting reports to serious failures, malfunctions, or defects, rather than "any" defect. Also, FAA finds the removal of conflicting effective dates and potential cost savings justify adoption of this rule.

Regulatory Flexibility Determination

The Regulatory Flexibility Act of 1980 (RFA) establishes "as a principle of regulatory issuance that agencies shall endeavor, consistent with the objective of the rule and of applicable statutes, to fit regulatory and informational requirements to the scale of the business, organizations, and governmental jurisdictions subject to regulation." To achieve that principle, the RFA requires agencies to solicit and consider flexible regulatory

proposals and to explain the rationale for their actions. The RFA covers a wide-range of small entities, including small businesses, not-for-profit organizations and small governmental jurisdictions.

Agencies must perform a review to determine whether a proposed or final rule will have a significant economic impact on a substantial number of small entities. If the agency determines that it will, the agency must prepare a regulatory flexibility analysis as described in the RFA.

However, if an agency determines that a proposed or final rule is not expected to have a significant economic impact on a substantial number of small entities, section 605(b) of the RFA provides that the head of the agency may so certify and a regulatory flexibility analysis is not required. The certification must include a statement providing the factual basis for this determination, and the reasoning should be clear.

This rule will have a minimal impact on repair stations since it reduces reporting and impose no costs. FAA, therefore, certifies the rule will not have a significant economic impact on a substantial number of small operators.

Trade Impact Assessment

The Trade Agreement Act of 1979 prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. Legitimate domestic objectives, such as safety, are not considered unnecessary obstacles. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

FAA has assessed the potential effect of this final rule and has determined that it will impose the same requirements on domestic and international entities and thus has a neutral trade impact.

Unfunded Mandates Assessment

The Unfunded Mandates Reform Act of 1995 (the Act) is intended, among other things, to curb the practice of imposing unfunded Federal mandates on State, local, and tribal governments. Title II of the Act requires each Federal agency to prepare a written statement assessing the effects of any Federal mandate in a proposed or final agency rule that may result in an expenditure of $100 million or more (adjusted annually for inflation) in any one year by State, local, and tribal governments, in the aggregate, or by the private sector; such a mandate is deemed to be a "significant regulatory action." This final rule does not contain such a mandate. The requirements of Title II do not apply.

Executive Order 13132, Federalism

FAA has analyzed this final rule under the principles and criteria of Executive Order 13132, Federalism. We determined this action will not have a substantial direct effect on the States, or the relationship between the national Government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, we determined this final rule does not have federalism implications.

Environmental Analysis

FAA Order 1050.1D defines FAA actions that may be categorically excluded from preparation of a National Environmental Policy Act (NEPA) environmental impact

statement. In accordance with FAA Order 1050.1D, appendix 4, paragraph 4(j), this rulemaking action qualifies for a categorical exclusion.

Regulations that Significantly Affect Energy Supply, Distribution, or Use

The FAA has analyzed this NPRM under Executive Order 13211, Actions Concerning Regulations that Significantly Affect Energy Supply, Distribution, or Use (May 18, 2001). We have determined that it is not a "significant energy action" under the executive order because it is not a "significant regulatory action" under Executive Order 12866, and it is not likely to have a significant adverse effect on the supply, distribution, or use of energy.

List of Subjects

14 CFR Part 145

Air carriers, Air transportation, Aircraft, Aviation safety, Recordkeeping and reporting, Safety.

Adoption of the Amendment

Accordingly, the Federal Aviation Administration amends part 145 of Title 14, Code of Federal Regulations as follows:

PART 145- Repair Stations

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

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

2. Section 145.221 is amended by revising paragraphs (a), (c), and (d)

§ 145.221 Reports of failures, malfunctions, or defects.

(a) A certificated repair station must report to the FAA within 96 hours after it discovers any serious failure, malfunction, or defect of an article. The report must be in a format acceptable to the FAA.

* * * * *

(c) The holder of a repair station certificate that is also the holder of a part 121, 125, or 135 certificate; type certificate (including a supplemental type certificate); parts manufacturer approval; or technical standard order authorization, or that is the licensee of a type certificate holder, does not need to report a failure, malfunction, or defect under this section if the failure, malfunction, or defect has been reported under parts 21, 121, 125, or 135 of this chapter.

(d) A certificated repair station may submit a service difficulty report (operational or structural) for the following:

(1) A part 121 certificate holder, provided the report meets the requirements of part 121 of this chapter, as appropriate.

(2) A part 125 certificate holder, provided the report meets the requirements of part 125 of this chapter, as appropriate.

(3) A part 135 certificate holder, provided the report meets the requirements of part 135 of the chapter, as appropriate.

* * * * *

Issued in Washington, DC, on .

Marion C. Blakey
Administrator

[4910-13]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 145

Docket No.: FAA-2003- ; Amendment No.

RIN 2120-AI07

Repair Stations: Service Difficulty Reporting

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; request for comments.

SUMMARY: This final rule amends the regulations governing service difficulty reports (SDRs) submitted to the FAA by aeronautical repair stations. The FAA is clarifying which type of failures, malfunctions, and defects repair stations must report. Finally, FAA is replacing certain section references with part references. This action will eliminate the need to revise repair station regulations if the FAA revises SDR rules.

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final rule amended the requirements in 14 CFR parts 121, 125, 135, and 145 for reporting failures, malfunctions, and defects of aircraft, aircraft engines, systems, and components. In that rulemaking action, FAA amended §§ 145.63 and 145.79 to —

(1) increase the time period for repair stations to report failures, malfunctions, or defects from 72 hours to 96 hours; and

(2) allow a repair station to submit service difficulty reports (SDRs) on behalf of part 121, 125, and 135 certificate holders.

Section 145.63, paragraphs (c) and (d) and § 145.79, paragraphs (e)(1) through (e)(3), specified the sections of parts 121, 125, and 135 that allow certificated repair stations to submit SDRs for part 121, 125, and 135 certificate holders.

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(2) standardizing the requirements for reporting failures, malfunctions, or defects to apply to all certificated repair stations, regardless of location;

(3) replacing the phrases "serious defect" and "other unairworthy condition" with the phrase "failure, malfunction, or defect"; and

(4) including language that would allow repair stations to submit SDRs to FAA in a format acceptable to the Administrator.

That amendment to part 145 becomes effective January 31, 2004.

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FAA Action

To avoid the need to amend § 145.221 to track specific sections of parts 121, 125, and 135, FAA is amending § 145.221 by removing references to specific sections in parts 121, 125, and 135. FAA is replacing the specific section references with the applicable part numbers. This amendment will require repair stations to follow whatever requirements are set out in parts 121, 125, and 135, depending on the certificate holder.

Also, FAA agrees with the repair station industry concerning the word "serious". It was not the agency's intent to require repair stations to report "any" failure, malfunction, or defect. When FAA combined §§ 145.63 and 145.79 to create § 145.221, FAA standardized language in that section to match language in parts 121, 125, and 135,

which do not include the word "serious." In doing so, FAA removed the word "serious" to describe the type of failures, malfunctions, and defects repair stations must report. Again, it was not FAA's intent to require repair stations to report all failures, malfunctions, and defects. Repair stations are required to report only serious failures, malfunctions, and defects. Therefore, FAA is reinserting the word "serious" before the word "failure" in § 145.211(a).

Effect of this Action

This action becomes effective on January 31, 2004, along with the new requirements for part 145 issued on July 30, 2001. Repair stations submitting SDRs for part 121, 125, or 135 certificate holders will be required to report in accordance with the requirements of the appropriate part. For example, a repair station reporting a failure, malfunction, or defect for a part 121 certificate holder would submit the report in accordance with whatever provisions of part 121 are in effect on the date the report is sent. By removing references to specific sections in parts 121, 125, and 135, FAA will be able to amend the requirements for SDRs in the future without making further amendments to part 145.

FAA notes the repair station industry should interpret the word "serious" the same way it is interpreted under the current rule. Repair stations should continue to report failures, malfunctions, or defects as they are currently reported. This amendment will not change current practice in determining which failures, malfunctions, or defects repair stations should report.

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Paperwork Reduction Act

Information collection requirements on service difficulty reporting have previously been approved by the Office of Management and Budget (OMB) under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. section 3507(d)), and have been assigned OMB Control Number 2120-0682.

International Compatibility

In keeping with U.S. obligations under the Convention on International Civil Aviation, it is FAA policy to comply with International Civil Aviation Organization (ICAO) Standards and Recommended Practices to the maximum extent practicable. FAA has reviewed the corresponding ICAO Standards and Recommended Practices and has identified some differences with these regulations.

Economic Summary, Regulatory Flexibility Act, Trade Impact Assessment, and Unfunded Mandates Assessment

Economic Summary

Changes to Federal regulations must undergo several economic analyses. First, Executive Order 12866 directs each Federal agency to propose or adopt a regulation only upon a reasoned determination that the benefits of the intended regulation justify its costs. Second, the Regulatory Flexibility Act of 1980 requires agencies to analyze the economic impact of regulatory changes on small entities. Third, the Trade Agreements Act (19 U.S.C. section 2531-2533) prohibits agencies from setting standards that create unnecessary obstacles to the foreign commerce of the United States. In developing U.S. standards, this Trade Agreements Act also requires agencies to consider international standards and, where appropriate, use them as the basis for U.S. standards Fourth, the Unfunded Mandates Reform Act of 1995 (Public Law 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 likely to result in the expenditure by State, local, or tribal governments, in the aggregate, or by the private sector, of $100 million or more annually (adjusted for inflation.)

In conducting these analyses, FAA has determined that this rule: (1) will generate benefits and will not impose any costs, is not a "significant regulatory action" as defined in section 3(f) of Executive Order 12866, and is not "significant" as defined in DOT's Regulatory Policies and Procedures; (2) will not have a significant economic impact on a substantial number of small entities; (3) will not constitute a barrier to international trade; and (4) does not impose an unfunded mandate on state, local, or tribal governments, or on the private sector.

Department of Transportation (DOT) Order 2100.5 prescribes policies and procedures for simplification, analysis, and review of regulations. If it is determined that the expected impact is so minimal that the rule does not warrant a full evaluation, a statement to that effect and the basis for the determination is included in the preamble to the rule. Given the reasons presented below, FAA has determined the expected impact of this rule is minimal and the final rule does not warrant a full evaluation.

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Regarding benefits, this rule will provide repair stations some cost savings by limiting reports to serious failures, malfunctions, or defects, rather than "any" defect. Also, FAA finds the removal of conflicting effective dates and potential cost savings justify adoption of this rule.

Regulatory Flexibility Determination

The Regulatory Flexibility Act of 1980 (RFA) establishes "as a principle of regulatory issuance that agencies shall endeavor, consistent with the objective of the rule and of applicable statutes, to fit regulatory and informational requirements to the scale of the business, organizations, and governmental jurisdictions subject to regulation." To achieve that principle, the RFA requires agencies to solicit and consider flexible regulatory

proposals and to explain the rationale for their actions. The RFA covers a wide-range of small entities, including small businesses, not-for-profit organizations and small governmental jurisdictions.

Agencies must perform a review to determine whether a proposed or final rule will have a significant economic impact on a substantial number of small entities. If the agency determines that it will, the agency must prepare a regulatory flexibility analysis as described in the RFA.

However, if an agency determines that a proposed or final rule is not expected to have a significant economic impact on a substantial number of small entities, section 605(b) of the RFA provides that the head of the agency may so certify and a regulatory flexibility analysis is not required. The certification must include a statement providing the factual basis for this determination, and the reasoning should be clear.

This rule will have a minimal impact on repair stations since it reduces reporting and impose no costs. FAA, therefore, certifies the rule will not have a significant economic impact on a substantial number of small operators.

Trade Impact Assessment

The Trade Agreement Act of 1979 prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. Legitimate domestic objectives, such as safety, are not considered unnecessary obstacles. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

FAA has assessed the potential effect of this final rule and has determined that it will impose the same requirements on domestic and international entities and thus has a neutral trade impact.

Unfunded Mandates Assessment

The Unfunded Mandates Reform Act of 1995 (the Act) is intended, among other things, to curb the practice of imposing unfunded Federal mandates on State, local, and tribal governments. Title II of the Act requires each Federal agency to prepare a written statement assessing the effects of any Federal mandate in a proposed or final agency rule that may result in an expenditure of $100 million or more (adjusted annually for inflation) in any one year by State, local, and tribal governments, in the aggregate, or by the private sector; such a mandate is deemed to be a "significant regulatory action." This final rule does not contain such a mandate. The requirements of Title II do not apply.

Executive Order 13132, Federalism

FAA has analyzed this final rule under the principles and criteria of Executive Order 13132, Federalism. We determined this action will not have a substantial direct effect on the States, or the relationship between the national Government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, we determined this final rule does not have federalism implications.

Environmental Analysis

FAA Order 1050.1D defines FAA actions that may be categorically excluded from preparation of a National Environmental Policy Act (NEPA) environmental impact

statement. In accordance with FAA Order 1050.1D, appendix 4, paragraph 4(j), this rulemaking action qualifies for a categorical exclusion.

Regulations that Significantly Affect Energy Supply, Distribution, or Use

The FAA has analyzed this NPRM under Executive Order 13211, Actions Concerning Regulations that Significantly Affect Energy Supply, Distribution, or Use (May 18, 2001). We have determined that it is not a "significant energy action" under the executive order because it is not a "significant regulatory action" under Executive Order 12866, and it is not likely to have a significant adverse effect on the supply, distribution, or use of energy.

List of Subjects

14 CFR Part 145

Air carriers, Air transportation, Aircraft, Aviation safety, Recordkeeping and reporting, Safety.

Adoption of the Amendment

Accordingly, the Federal Aviation Administration amends part 145 of Title 14, Code of Federal Regulations as follows:

PART 145- Repair Stations

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

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

2. Section 145.221 is amended by revising paragraphs (a), (c), and (d)

§ 145.221 Reports of failures, malfunctions, or defects.

(a) A certificated repair station must report to the FAA within 96 hours after it discovers any serious failure, malfunction, or defect of an article. The report must be in a format acceptable to the FAA.

* * * * *

(c) The holder of a repair station certificate that is also the holder of a part 121, 125, or 135 certificate; type certificate (including a supplemental type certificate); parts manufacturer approval; or technical standard order authorization, or that is the licensee of a type certificate holder, does not need to report a failure, malfunction, or defect under this section if the failure, malfunction, or defect has been reported under parts 21, 121, 125, or 135 of this chapter.

(d) A certificated repair station may submit a service difficulty report (operational or structural) for the following:

(1) A part 121 certificate holder, provided the report meets the requirements of part 121 of this chapter, as appropriate.

(2) A part 125 certificate holder, provided the report meets the requirements of part 125 of this chapter, as appropriate.

(3) A part 135 certificate holder, provided the report meets the requirements of part 135 of the chapter, as appropriate.

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Issued in Washington, DC, on DEC 19 2003

Marion C. Blakey
Administrator