AIR TRANSPORT ASSOCIATION

■ CAROL B. HALLETT
PRESIDENT AND CEO

July 1, 2002

Mr. Randall Fiertz
Deputy Director, Cost and Performance Management
Federal Aviation Administration
C/o Department of Transportation, Office of the Secretary
Office of the Assistant Secretary for Budget and Programs
400 Seventh Street, SW, Room 10101
Washington D.C. 20590

Docket Clerk
U.S. DOT Dockets
400 Seventh St., SW
Room PL-401
Washington, D.C. 20590-0001

Re: **Interim Rule on Aviation Security Infrastructure Fees**
Docket No. TSA-2002-11334
49 CFR Part 1511

Dear Mr. Fiertz:

On March 18, 2002, the Air Transport Association of America, Inc. ("ATA") filed extensive comments on the Interim Final Rule on the Aviation Security Infrastructure Fee, 67 Federal Register 7926 (February 20, 2002) (the "Rule"). Our members continue to support the Transportation Security Administration (the "TSA") in its assumption of all civil aviation security functions and responsibilities. Our members understand their extensive obligations under the Rule and are committed to complying with these obligations, including those relating to the accounting and audit requirements in Section 1511.9.

As you are aware, our initial comments raised a number of policy concerns about the scope of the Rule and the propriety/reasonableness of some of the cost data required in Appendix A. In addition, we expressed concerns about the ability of the air carriers to determine certain 2000 screening costs and, therefore, to ensure that the independent audit requirements described in the

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Rule could be performed. On July 1, a number of ATA member airlines are submitting a letter to you that includes recommended Agreed Upon Procedures ("AUPs) to address the TSA's audit objectives.

ATA believes the adoption of these proposed AUPs will enable the carriers to meet all of the TSA's audit criteria through the application of sound review procedures by independent accountants. We renew our March request that the TSA adopt appropriate AUPs and defer the deadline for filing of the independent review/audit until a reasonable period of time after AUPs are finalized. In view of the current August 1 filing requirement, we ask that a meeting between the TSA and representatives of the accounting firms and air carriers be scheduled at your earliest convenience.

ATA appreciates your continued consideration of these issues and prompt attention to the significant issues raised in this letter. Please contact Frances DeBlasio, Manager of Operating Budgets for United Airlines (847-700-1114; frances.deblasio@ual.com) or Patty Higginbotham, ATA (202-626-4123; phigginbotham@airlines.org) concerning the meeting or any questions/additional information you may desire.

Respectfully,

Carol B. Hallett