

**Before the Committee on Transportation and Infrastructure
Subcommittee on Aviation
United States House of Representatives**

**Review of FAA's
Certification Process:
Ensuring an Efficient,
Effective and Safe Process**

**Statement of
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The Voice of Aviation Business

Chairman LoBiondo, Ranking Member Larsen and Members of the Subcommittee:

The National Air Transportation Association (NATA) appreciates the opportunity to appear before you today to review the FAA's Certification Process to ensure it can be efficient, effective and safe.

I am Thomas L. Hendricks and it is my pleasure to address the subcommittee once again, now as President and CEO of the National Air Transportation Association.

At NATA, we are the voice of aviation business. We are the leading organization representing aviation service companies such as fixed base operators, charter providers, maintenance and repair organizations, flight training, airline service and aircraft management companies – including those supporting fractional shareholders. Our more than 2,000 member companies are a vital link to the public, airlines, general aviation industry, and the military.

NATA's mission is to empower its members to be safe and successful aviation businesses. Our members across the nation operate in a very highly regulated environment. We support a system that allows for a delicate balance between the different regional operating environments of our members and the need for consistent interpretation and application of FAA regulations, especially in the areas of safety and competitiveness.

Standardization

Section 313 of the FAA Modernization and Reform Act of 2012 (H.R. 658)

Since 2009, NATA has highlighted a need for a more consistent, standardized interpretation of FAA regulations. We surveyed our members and found that a lack of standardized interpretation was one of the biggest worries on the minds of general aviation industry leaders. The NATA survey also captured specific examples from our members about how the lack of consistency within the FAA has affected their aviation businesses.

The biggest challenge noted was trying to accommodate the varying requirements of eight FAA regions, 10 aircraft certification offices, and 80 flight standards district offices. Each issues individual approvals for a wide range of maintenance and operational requests.

We believe the FAA must apply its regulations consistently. NATA represents businesses large and small that serve key roles in the nation's economy. These drivers of our economy deserve a level playing field where the rules don't change simply because your FAA inspector did. When the FAA grants approval for a certificate or process to one aircraft operator or maintenance facility without giving the same approval to a similar business in another area of the country, it directly affects the competitiveness of companies.

Here are just two examples:

A commercial air charter operator contacted NATA stating that he had to spend \$25,000 to secure FAA approval to move an aircraft on his air carrier certificate from one FAA region to another. The operator had already complied with the FAA regulations in the region where the aircraft was based. When the operator moved the aircraft to the new base in another region of the country, he was not allowed to operate it until he received FAA approval from that region.

The new FAA office would not accept the determination of compliance from the original FAA office and insisted that the operator again demonstrate that the aircraft was in compliance with federal aviation regulations. The aircraft was out of service and unavailable for customer use for more than five weeks, at a cost of more than \$200,000 in lost revenue to the operator.

Another NATA member, a Part 145 repair station, was informed by the FAA that the region with responsibility for oversight of the repair station would be changing. This company endured a lengthy, costly process as the new region with jurisdiction decided to reapprove the repair station's manual used to prescribe performance of maintenance functions, and identified more than 75 "deficiencies." The manual had been deemed to be fully compliant with all federal aviation regulations and was approved by the first FAA region, but the new region insisted that revisions be made according to its interpretation of the regulations. This drawn-out process cost the repair station countless hours of employee time and hundreds of thousands of dollars in lost revenue while it implemented the new region's revisions.

Inconsistent standards also have important safety implications. New interpretations can cause confusion and force aviation companies to redirect limited human and monetary resources – resources that would be better spent on improving aviation safety.

Other findings from our survey include:

- 89 percent of NATA members responded that their businesses have suffered due to inconsistent interpretation of regulations.
- 81 percent stated that the lack of standardization they experienced was the result of the FAA's reluctance to accept a prior approval.

Although inconsistency has challenged both the FAA and industry for years, there have been positive developments. In the last 10 years, we've seen both the Flight Standards Service and the Aircraft Certification Service combine policy and guidance, and create online access for safety inspectors and engineers as well as the industry. This improved transparency allowed the industry to understand what the FAA looks for when performing tasks such as oversight and issuing approvals.

The FAA has also been working on an information management system that will link all AFS and AIR information. However, we note that the system does not sufficiently review information to eliminate conflicting or duplicative policy or outdated processes.

Let me now turn to the report of the Consistency of Regulatory Interpretation Aviation Rulemaking Committee. At NATA, we recognize the need for the FAA to prioritize its many projects as a way to improve safety amid funding challenges at both the Agency and within the aviation industry.

With this in mind, NATA fully supports the ARC's number one priority and recommendation: that the FAA review all interpretations and policy documents for accuracy, link those documents to the regulations they support, and expand on the current information systems to combine both the Aircraft Certification and the Flight Standard Services systems into one, available online resource for both the FAA and public.

NATA encourages Congress to support and fund these FAA efforts to eliminate inconsistencies in the interpretation and application of its regulations.

Certification

Section 312 of the FAA Modernization and Reform Act of 2012 (H.R. 658)

In reference to Section 312 of the FAA Modernization and Reform Act, NATA believes that many of the existing certification processes are outdated and hamper the introduction of new safety technology. The rapid evolution of modern technology is, in many cases, outstripping the FAA's ability to certify it. The Agency simply can't keep up.

New standards need to be performance-based, so that the industry can quickly innovate without the FAA having the burden of changing the rules each time technology advances. The FAA has already seen success with this method for small aircraft and we believe similar success is possible for larger General Aviation and Commercial aircraft. The FAA also has been moving toward expanded delegation to improve the certification process, but the pace of that expansion has been slower than the industry needs and expects.

NATA is encouraged by efforts to adopt performance-based certification standards and the increased use of delegates to better meet the demands of the industry. We ask for continued support and oversight from Congress to ensure these programs remain a priority.

Role of SMS

Another way the FAA can leverage its limited resources is through Safety Management

Systems (SMS). SMS is a comprehensive, process-oriented approach that requires identifying and mediating all identified risks. It also helps the FAA to ensure that all regulated parties receive appropriate oversight and fulfill the FAA's safety assurance mission.

A healthy SMS encourages the reporting of hazards or compliance errors. It requires thoughtful analysis and response to every report, including corrective actions and changes to policies or procedures to prevent future hazards and errors.

Treating the FAA as a partner in the implementation of an operator's SMS enables the local FAA inspector to regularly receive detailed compliance information from the operator, and evaluate the appropriateness of corrective actions, without the time and costs involved in frequent on-site inspections. We ask that Congress support FAA efforts to adapt their oversight and enforcement to recognize the safety benefits achieved when a business implements SMS.

Conclusion

In conclusion, we believe the FAA can foster consistent interpretations by developing a single master source for all guidance documents and legal interpretations. We strongly encourage the funding of that effort.

We continue to support the FAA's delegation of performance-monitoring duties to bolster the Agency's ability to match the demands of the aviation industry and increase the transparency of certification process improvements.

We welcome the new opportunities to better manage safety and compliance through the use of SMS and ask Congress to ensure the FAA has the authority to adapt its inspection programs to incorporate SMS as a part of oversight protocols.

Lastly, but most importantly, we encourage Congress' continued oversight to ensure that the FAA implements the recommendations set forth by the FAA Modernization and Reform Act of 2012 in a timely and efficient manner.

Thank you for the opportunity to testify, and I will be happy to answer any questions you may have.