

## Supporting Statement

### **Certification and Operations: Airplanes with Seating Capacity of 20 or More Passenger Seats or Maximum Payload of 6,000 Pounds or More Operating under 14 CFR part 125**

OMB 2120-0085

**CHANGES IN THIS SUBMISSION:** The overall burden has decreased because the population of respondents has decreased since the last submission. There are approximately 27% fewer part 125 operators and airplanes than there were three years ago. Additionally, there were only two applications for a part 125 operating certificate in the past three years. Therefore, this submission estimates only one new application per year. However, the hourly costs for both commercial pilots and FAA Aviation Safety Inspectors have increased, thereby slightly offsetting the reduction in the number of operators and airplanes.

While operator overall cost burden decreased by 14%, Federal government costs increased by 5%. This is because the previous submission overestimated the number of amendments but did not account for the reports of defects or unairworthy conditions. This submission correctly accounts for amendments and reports of defects. These adjustments resulted in a very slight reduction in burden hours but the increased FAA inspector wage resulted in an overall increase in the Federal burden.

#### A. Justification

##### ***1. Explain the circumstances that make the collection of information necessary.***

Title 49, United States Code, Section 44701 (formerly the Federal Aviation Act of 1958, Section 601) authorizes the Secretary of Transportation to provide for reasonable rules and regulations necessary to provide for minimum safety. 14 CFR Part 125 prescribes requirements for issuing operating certificates and for appropriate operating rules. Part 125 was issued to establish a uniform set of certification and operational rules for large airplanes having a seating capacity of 20 or more passengers or a maximum payload capacity of 6,000 pounds or more, when common carriage is not involved. These rules substantially upgrade the level of safety applicable to large airplanes formerly operated under Part 91. Part 125 is distinct from parts 119, 121 and 135 in that it covers operators that are not “common carriers”—i.e., although part 125 operators may accept compensation for carriage, they may not hold themselves out as providers of common carriage. In addition to the statutory basis, the collection of this information is necessary to:

- \* Issue, reissue, or amend applicant's operating certificate.
- \* Issue, reissue, or amend applicant's operations specifications.

The information collection directly supports the Department of Transportation's strategic goal on safety. Specifically, the goal is to promote public health and safety by working toward the elimination of transportation-related deaths, injuries, and property damage.

***2. Indicate how, by whom, and for what purpose the information is to be used.***

A letter of application and related documents that set forth an applicant's ability to conduct operations in compliance with the provisions of 14 CFR Part 125 are submitted to the appropriate responsible Flight Standards office. This submission is mandatory for those airplane operators who wish to operate under 14 CFR Part 125. This collection includes both reporting and recordkeeping requirements, as enumerated in question 12. These requirements are annual or as needed, depending on the section. Inspectors in FAA responsible Flight Standards offices review the submitted information to determine certificate eligibility. If the letter of application, related documents, and inspection show that the applicant satisfactorily meets acceptable safety standards, an operating certificate and operations specifications will be issued. If the information were not collected, the FAA could not discharge its responsibilities directed to the safety of large airplane operators during such operations.

The regulatory mandates in part 125 that include information collection or retention are:

- 125.21 - Application for an Operating Certificate: This collection of information is necessary for operators who meet the criteria of part 125 and wish to operate under its provisions.
- 125.53 - Flight Locating Requirements: This recordkeeping requirement is in place to ensure that information is available, to both the certificate holder and the FAA, about flights for which no flight plan is filed. This is to ensure that contact can readily be made with the airplane, or that its location can be ascertained if an airplane is lost or missing.
- 125.71 - Manual Preparation: This reporting requirement helps ensure that operating and maintenance manuals are consistent with U.S. and international standards, and that they are sufficiently thorough as to provide an acceptable level of safety.
- 125.295 - Check Pilot Authorization: To ensure the competency and currency of airmen operating under part 125, the FAA requires certificate holders to submit a request for approval of a check airman. If sufficient, the FAA then issues a letter of authority that lists the tests and checks in part 125 that the check airman is qualified to give, and the category, class and type airplane, where appropriate, for which the check airman is qualified.
- 125.319 - Emergency Operations: This section requires part 125 certificate holders to report to the FAA any emergency situation that required a pilot to take action that deviated from operational or other rules. This reporting requirement aids the FAA in analysis of trends, surveillance, and detection of potential systemic safety issues.
- 125.323 - Reporting Mechanical Irregularities: This recordkeeping requirement helps each operator under part 125 to adhere to a safety management system, in which mechanical defects are recorded and addressed.
- 125.383 - Load Manifest: This recordkeeping requirement prescribes that operators will retain for a certain length of time a manifest that details the amount and

placement of cargo, and the number and identity of passengers. This helps ensure that cargo is properly balanced and limits are not exceeded; in the case of passengers, it is in the interest of security and possible search/rescue operations to record the names of all on board.

- 125.401 - Crewmember Records: This recordkeeping requirement prescribes certain data that must be retained on each crewmember, such as proficiency checks, airplane qualifications, any required physical examinations, and flight time records. This helps the operator and the FAA determine whether personnel are in compliance with regulations. It also requires retention of disciplinary and other personnel records, which aids in the effort to make pilot records accessible.
- 125.403 - Flight Release Form: This recordkeeping requirement enables the FAA to complete trip record inspections. The flight release form enables an inspector, for example, to compare the minimum fuel required for the airplane with the fuel weight shown on the manifest.
- 125.407 - Maintenance Log Entries: This recordkeeping requirement helps ensure that operators comply with the maintenance requirements of 14 CFR part 43, and that the FAA is able to confirm such compliance.
- 125.409 - Reports of Defects or Unairworthy Conditions: This requirement to report each failure, malfunction, or defect facilitates the FAA's surveillance and safety assurance roles, enabling the agency to detect patterns of potential safety issues.
- 125.411 - Airworthiness Release: This recordkeeping requirement helps ensure that all repair work is done in accordance with the certificate holder's manual and with the maintenance and repair rules prescribed in 14 CFR part 43.

***3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, and the basis for the decision for adopting this means of collection.***

The relevant regulations, advisory material and the Aviation Safety Inspectors' (ASI) Handbook are available electronically. Respondents have access to FAA's WebOPSS system ([webopss.faa.gov](http://webopss.faa.gov)), which is a database where users can enter information which populates FAA drafts of Part 125 authorizations, pre-signature. The information submitted is not made available online to the public. The database also has the capability for users to apply electronic signatures to the authorizations. These authorizations can also be submitted to FAA via email. This constitutes approximately 80% of the application process for Part 125 certification. The remainder of the application/certification process for a Part 125 Certificate is completed on a one-on-one, case-by-case interaction with a Flight Standards Inspector Team and does not lend itself to electronic transmission of information. The process allows interaction between the applicant and the Federal Aviation Administration (FAA) from initial inquiry to certificate issuance or denial. It ensures that programs, systems, and intended methods of compliance are thoroughly reviewed, evaluated, and tested. The certification process consists of five phases:

- **Preapplication Phase:** Often, during the initial inquiry that begins the preapplication phase, a person will request information about certification as an air operator.

However, the individual is not fully aware of the regulatory requirements and the costs involved. Inspectors accommodate these informal requests, even though many of these individuals do not pursue certification. Given the informal nature of these consultations, they are not conducive to automation.

- **Formal Application Phase:** While the application phase consists of a letter of application, which can be submitted electronically (via email), the formal application phase also consists of an application meeting, between FAA personnel and the applicant. This has traditionally been done in person at the applicant's local Flight Standards office. The FAA is exploring virtual meeting alternatives.
- **Document Compliance Phase:** This stage is largely automated. It is in this phase that an applicant selects operation specification templates from the 88 samples that are available online and submits them electronically (via email or WebOPSS) after applying an electronic signature to the PDF.
- **Demonstration and Inspection Phase:** This stage consists of an emergency evacuation demonstration, and checks and tests performed by an FAA aviation safety inspector or an authorized check airman. These activities must be done in person.
- **Certification Phase:** Once all requirements have been met and verified, the FAA issues a certificate either by mail or in-person. For document-security reasons, this issuance process has not been automated.

#### ***4. Describe efforts to identify duplication.***

We have reviewed our directives and guidance material to ensure that no duplication exists. No other agency is responsible for collecting information on 14 CFR Part 125 operators. The collection of information required by 14 CFR 125 can only be supplied by large airplane operators requesting certification. Similar information is not available from any sources other than in question 2.

#### ***5. If the collection of information impacts small businesses or other small entities, describe the methods used to minimize burden.***

Applicants for operating certificates, whether small business or large, are guided through the administrative requirements of 14 CFR Part 125 by the responsible Flight Standards office responsible for certification. The workload is proportionate to the total number of airplane operations. Burden is minimized by providing electronic means of submitting information, as described in question 3.

#### ***6. Describe the consequence to Federal program or policy activities if the collection is not conducted, or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.***

The operators are only asked pertinent safety information necessary to make a factual determination that the proposed aviation activity would not be detrimental to public safety. All records and information is gathered for the accomplishment of a specific regulatory requirement necessary to maintain a high degree of safety in aviation. These requirements were carefully thought out prior to implementation and to delay the collection and

documentation of this information might well create possible hazards in the national airspace system.

The frequency of this information collection is not set by the FAA; it is established as needed by the applicant who seeks certification under 14 CFR 125.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner inconsistent with 1320.5(d)(2).**

There are no special circumstances.

**8. Describe efforts made to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any) and the data elements to be recorded, disclosed, or reported.**

A notice for comment was published in the [Federal Register](#) on June 16, 2023 (88 FR 39503). No comments were received. The FAA did not have any other interaction with stakeholders.

**9. Explain any decision to provide any payments or gift to respondents, other than remuneration of contractors or grantees**

No payments or gifts are made to respondents.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

No assurances given.

**11. Provide justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.**

There are no questions of a sensitive nature.

**12. Provide estimates of the hour burden of the collection of information.**

We estimate that 14 CFR Part 125 will require a total annual reporting and recordkeeping burden of **36,052 hours**; 12,832 hours constitute reporting and 23,219 hours constitute recordkeeping. We estimate 175,915 responses. There are currently **38 certificated** Part 125 operators as well as 15 operators issued a Letter of Deviation Authority (LODA) from the requirements to hold an Operating Certificate. We estimate approximately **1 new applicant per year**, making a total of **54 operators**.

The FAA has found that these activities are typically performed by a company's **Flight Operations Manager**, for which FAA is using the BLS wage rate for commercial pilots of **\$47.90** per hour<sup>1</sup> (\$99,640 per year divided by 2,080 hours per year). The FAA has applied a multiplier of **31.0 percent**<sup>2</sup> to account for fringe benefits, plus an estimated **17 percent** for overhead costs such as rent, equipment and utilities.<sup>3</sup> The fully loaded hourly rate is the base rate of \$47.90 multiplied by (31.0 + 17 = 48.0).  $\$47.90 * 1.48 = \$70.89$ . Thus, the fully loaded hourly rate is **\$70.89**.

The total hourly burden of 36,052 multiplied by the fully loaded hourly rate of \$70.89 results in an annual cost burden of **\$2,555,726**.

The specific 14 CFR Part 125 reporting requirements are prescribed by the following:

Section 125.21 - Application for an Operating Certificate. Reporting requirement: Requires applicants for an operating certificate to submit a letter of application to the responsible Flight Standards office that has jurisdiction over the area in which the applicant's principal operation base is located. A detailed description of how the applicant will comply with each individual section of the 14 CFR will be included. Once a certificate is obtained, it remains in effect until surrendered, suspended, or revoked.

Approximately 1 application per year at 60 hours per application = 60 hours

Section 125.35 - Amendment of Operations Specifications. Reporting requirement: Requires the certificate holder to request a desired change to operations specifications from the appropriate responsible Flight Standards office 15 days before the proposed effective date of the change. Estimate each operator will request two changes per year.  $54 * 2 = 108$ .

Estimated Number of Changes Per Year	108
Average Hours Per Application	<u>x2</u>
Estimated Annual Burden	216 hours

Section 125.37 - Duty Period Limitations. Requires that each flight crewmember and flight attendant be relieved from all duty for at least 8 consecutive hours during any 24-hour period. Due to the extremely small number of flight crewmembers and flight attendants, this burden is addressed in Section 125.401, Crewmember Records. The records required to be available for inspection will enable the Federal Aviation Administration to verify whether a certificate holder is in compliance with the regulation.

Section 125.53 - Flight Locating Requirements. Reporting requirement: Each applicant for a Part 125 certificate must file a flight plan or establish and submit procedures for locating each flight for which an FAA flight plan is not filed. One hundred and forty-nine airplanes (2.76 airplanes x 54 operators) x 300 operations = 44,700 operations.

<sup>1</sup> <https://www.bls.gov/ooh/transportation-and-material-moving/airline-and-commercial-pilots.htm>

<sup>2</sup> <https://www.bls.gov/news.release/ecec.nr0.htm>

<sup>3</sup> <https://www.regulations.gov/document?D=EPA-HQ-OPPT-2014-0650-0005>

Estimated Flight Plans/Flight Locating Reports	44,700
Average Hours Per Procedure	<u>x .2</u>
Estimated Annual Burden	8,940 hours

Section 125.71 - Manual Preparation. Reporting requirement: Each applicant for a Part 125 certificate must prepare and keep current a manual of procedures and policies that meets the minimum standards of the 14 CFR. FAA is responsible for determining if a manual is acceptable, to ensure that the manual's contents are not contrary to the rules and are adequate for the operations the applicant proposes to conduct.

Manuals are submitted only once and amendments are submitted only when the operator desires to expand or change operations.

Estimated Number of Manuals Submitted	1
Average Hours Per Manual	<u>x 80</u>
Estimated Annual Burden	80 hours

Manuals must be kept current through revision. The 54 operators result in the following:

Estimated Annual Number of Revisions to Operator's Manual (5 per operator)	270
Average Hours Per Revision	<u>x 2.5</u>
Estimated Annual Burden for Revisions	675 hours

Section 125.249 - Maintenance Manual Requirements. Each certificate holder's manual must include a description of its maintenance organization and procedures. This burden is covered under 125.71, Manual Preparation.

Section 125.295 - Check Pilot Authorization. Reporting requirement: Each certificate holder desiring to have a company employee designated as a check pilot shall submit a request in writing to the FAA.

Estimated Annual Number of Requests	11
Average Hours Per Request	<u>x 1.5</u>
Estimated Annual Burden for Requests	16.5 hours

Section 125.319 - Emergency Operations. Reporting requirement: Requires each person to send a written report of any deviation from the rules of Part 125 to the FAA responsible Flight Standards office charged with the overall inspection of the certificate holder within 10 days after the occurrence.

Estimated Annual Written Reports	15
Average Hours Per Report	<u>x 1.5</u>
Estimated Annual Burden	22.5 hours

Section 125.323 - Reporting Mechanical Irregularities. Recordkeeping requirement: Requires that the pilot in command enter all mechanical irregularities occurring during flight in the maintenance log of the airplane. An estimated one hundred and forty-nine airplanes (2.76 airplanes x 54 operators) x 300 operations = 44,700 operations; with 40 percent mechanical irregularities = 17,880.

Estimated Annual Recordkeeping Entries	17,880
Average Hours Per Entry	<u>x .2</u>
Estimated Annual Burden	3,576 hours

Section 125.383 - Load Manifest. Recordkeeping requirement: Each certificate holder is responsible for preparing a load manifest before each takeoff.

Estimated Annual Manifest Entries	44,700
Average Hours Per Entry	<u>x .25</u>
Estimated Annual Burden	11,175 hours

Section 125.401 - Crewmember Records. Recordkeeping requirement: Each certificate holder shall maintain current records of each crewmember. In computing the total number of crewmembers a base figure of 2.2 per airplane allows for the third required crewmember (flight engineer) on certain airplanes. This recordkeeping requirement includes proficiency checks, physical examination, flight time records, and any other action taken concerning employment or professional and physical qualifications of crewmembers.

149 Airplanes x Average 2.2 Crewmembers	329
Estimated Hours Per Record	<u>x 4.0</u>
Estimated Annual Burden for Recordkeeping	1,316 hours

Section 125.403 - Flight Release Form. Recordkeeping requirement: Certain essential information must be maintained by each certificate holder concerning each flight. The flight release may be in any form as long as it contains the required information.

149 Airplanes x 300 Operations	44,700
Estimated Hours Per Release	<u>x .1</u>
Estimated Annual Burden for Recordkeeping	4,470 hours

Section 125.407 - Maintenance Log Entries. Recordkeeping requirement: The entry requirements of this section are a reiteration of an existing requirement of Part 43 and do not impose an additional reporting burden. However, these entries must be made available to the flightcrew which is an additional recordkeeping burden as follows:

Estimated Number of Airplanes	149
Estimated Annual Burden Per Airplane	<u>x 12</u>
Estimated Annual Burden for Recordkeeping	1,788 hours

Section 125.409 - Reports of Defects or Unairworthy Conditions. Reporting requirement: Each certificate holder shall report the occurrence of detection of each failure, malfunction, or defect to the FAA district office.

Estimated Annual Report Submissions	14,110
Estimated Hours Per Report	<u>x .2</u>
Estimated Annual Burden for Reports	2,822 hours

Section 125.411 - Airworthiness Release. Recordkeeping requirement: Not every flight will require a maintenance release. We estimate that of 44,700 operations, 20 percent will require a maintenance release.

Estimated Annual Releases x 20 percent	8,940
Estimated Hours Per Record	<u>x .1</u>
Estimated Annual Burden for Recordkeeping	894 hours

***The reporting and recordkeeping burden and total annual responses are summarized as follows:***

Section	Reporting Hours	Recordkeeping Hours	Responses
125.21	60		1
125.35	216		108
125.53	8,940		44,700
125.71 (manual prep)	80		1
125.71 (revisions)	675		270
125.295	16.5		11
125.319	22.5		15
125.323		3,576	17,880
125.383		11,175	44,700
125.401		1,316	329
125.403		4,470	44,700
125.407		1,788	149
125.409	2,822		14,110
125.411		894	8,940
<b>SUBTOTALS:</b>	<b>12,832</b>	<b>23,219</b>	<b>175,914</b>
<b>TOTALS:</b>		<b>36,052</b>	
<b>ECONOMIC BURDEN</b>	<b>36,052 * \$70.89 = \$2,555,726</b>		

***13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information.***

We estimate there will be no additional costs.

***14. Provide estimates of annualized cost to the Federal government.***

The total estimated annual cost to the Federal Government is **\$406,045**

This cost was determined based on the FAA inspectors' time required to review and process original applications for an original certificate, operations specifications and requests

for amendments, review operator's manuals, requests for check pilot authorizations, and reports of defects or unairworthy conditions.

We estimate one application for an original operating certificate each year. Each request for an operating certificate requires 1.5 hours to review the application, 10 hours to review the operator's manual, and 10 hours to issue the operations specifications. This results in an average of 21.5 hours of inspectors' time per application.

We estimate 108 amendments to operations specifications will be submitted each year at an average cost of 1.0 hour of inspectors' time per amendment. This results in an average of 108 hours of inspectors' time each year.

We estimate 270 requests for revision of an operator's manual each year at an average cost of 3.0 hours of inspectors' time per revision. This results in an average of 810 hours of inspectors' time each year.

We estimate 11 requests for check pilot authorizations each year at an average cost of 2.0 hours of inspectors' time per authorization. This results in an average of 22 hours of inspectors' time each year.

We estimate 14,110 reports of defects or unairworthy conditions each year. Each report averages cost of 0.2 hours of inspectors' time per authorization. This results in an average of 2,822 hours of inspectors' time each year.

The FAA assumes a mid-grade GS-13 salary, Rest of USA locality. Annual salary is \$111,628,<sup>4</sup> divided by 2,080 hours for an hourly rate of \$53.66. The FAA uses a fringe benefits and overhead cost, for FAA employees, of 100%.<sup>5</sup> This results in a fully loaded wage of \$107.32 per hour.

Hours:  $21.5 + 108 + 810 + 22 + 2,822 = 3,783.5$  hours  
 $3,783.5 \text{ hours} * \$107.32/\text{hour} = \mathbf{\$406,045}$

***15. Explain reasons for changes in burden, including the need for any increase.***

The overall burden has decreased because the population of respondents has decreased since the last submission. There are approximately 27% fewer part 125 operators and airplanes than there were three years ago. Additionally, there were only two applications for a part 125 operating certificate in the past three years. Therefore, this submission estimates only one new application per year. However, the hourly costs for both commercial pilots and FAA Aviation Safety Inspectors have increased, thereby slightly offsetting the reduction in the number of operators and airplanes.

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<sup>4</sup> <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/23Tables/html/RUS.aspx>

<sup>5</sup> U.S. Department of Health and Human Services, "Guidelines for Regulatory Impact Analysis" (2016), [https://aspe.hhs.gov/system/files/pdf/242926/HHS\\_RIAGuidance.pdf](https://aspe.hhs.gov/system/files/pdf/242926/HHS_RIAGuidance.pdf). On page 30, HHS states, "As an interim default, while HHS conducts more research, analysts should assume overhead costs (including benefits) are equal to 100 percent of pretax wages...."

While operator overall cost burden decreased by 14%, Federal government costs increased by 5%. This is because the previous submission overestimated the number of amendments but did not account for the reports of defects or unairworthy conditions. This submission correctly accounts for amendments and reports of defects. These adjustments resulted in a very slight reduction in burden hours but the increased FAA inspector wage resulted in an overall increase in the Federal burden.

**16. For collection of information whose results will be published, outline plans for tabulation, and publication.**

There are no plans for publication of this information.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

We are not seeking an exemption.

**18. Explain each exception to the certification statement identified in Item 19, "Certification of the Paperwork Reduction Act Submissions" of OMB Form 83-1.**

There are no exceptions.