Supporting Statement A Federal Aviation Administration Recording of Aircraft Conveyances and Security Documents OMB 2120-0043

Item 2 revised to add AC Form 8050-98, Aircraft Security Agreement, to this collection (previously in OMB 2120-0042 - Registration).

Items 12, 13, & 14 revised to include the burden for the AC Form 8050-98.

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.

49 U. S. C. § 44108 provides for establishing and maintaining a system for the recording of security conveyances affecting title to, or interest in U.S. civil aircraft, as well as certain specifically identified eligible engines, propellers, or spare part locations, and for recording of releases relating to those conveyances. Federal Aviation Regulation, 14 CFR Part 49 "Recording of Aircraft Titles and Security Documents", establishes procedures for implementation of 49 U. S. C. § 44108 and describes the information that must be contained in a security conveyance to meet FAA recording requirements. The Chicago Convention and the Convention on the International Recognition of Rights in Equipment prevents, by treaty, the export of an aircraft and cancellation of its nationality marks if there is an outstanding security conveyance recorded. The Federal Aviation Administration (FAA) Civil Aviation Registry, Aircraft Registration Branch (Registry) must have consent or release of the security conveyance from the security holder prior to export cancellation and confirmation.

This information collection directly supports the U.S. Department of Transportation's strategic goals concerning safety and security. Recording of security conveyances is necessary to ensure proper compliance with provisions of 49 U. S. C. § 44108. Proper recording of security conveyances and releases of those recorded security conveyances is necessary to advance the nation's vital security interest in support of national strategies by protecting the interest of small and large aircraft investment companies as well as the interest of aircraft owners.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The following forms are included in this collection:

- 1. AC Form 8050-98, Aircraft Security Agreement
- 2. AC Form 8050-41, Notice of Recordation Aircraft Security Conveyance (aka Release)

When an aircraft owner borrows money against an aircraft and/or eligible engines, propellers and spare part locations, the security holder often requires the security agreement be recorded with

the FAA. The Registry provides the AC Form 8050-98 for a security holder to use, or they may use their own conveyance provided it meets the requirements in 14 CFR Part 49. Then when an aircraft owner satisfies their debt the security holder should report the satisfaction of the conveyance to the Registry. When the Registry records a security conveyance, an AC Form 8050-41 Notice of Recordation, is prepared to display the security conveyance and recording information and sent to the security holder. The security holder completes Part II, Release, at the bottom of the form; a security holder signature and date is required to signify release of the debt. The security holder submits the form to the Registry so that the interest in the aircraft shows to be released. The AC Form 8050-98 is available at

https://www.faa.gov/licenses certificates/aircraft certification/aircraft registry/aircraft regn forms. The AC Form 8050-41 is issued by the Examiner that records the security conveyance; therefore, it isn't available to the public for download. The security holder may submit their own release information without using the form.

The information collected is maintained in a database for recordkeeping purposes. As with all information collected by the Aircraft Registry this information is available to the public upon request.

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.

When Civil Aviation Registry Electronic System (CARES) is fully implemented by December 10, 2025 (this is an estimated date and subject to change), it will streamline the way these forms are submitted by providing an online portal for users to submit the forms electronically. In cases where the FAA initiates a notification to the user, such as the AC Form 8050-41, CARES will send a notification directly to the user via email. Alternatively, for public users opting to use a paper-based format, the system will send a mail-based notification to the user via the mailing address provided and anticipate any hardcopy forms be returned in a similar manner. The forms have been revised to collect the email address of the public user to help streamline processing in CARES.

Currently, the public user submits information and images through the mail in a paper-based format, where the Registry enters this information into a file that is retained in an electronic based records management system. The Registry maintains the records and does not affect the collection of information; collection of information must originate from each individual aircraft owner or secured party, primarily through the paper-based submission process (i.e. USPS). In 2020, the Aircraft Registry began accepting digitally signed documents through an electronic submission email portal. Documents received through the email portal are printed to a paper-based format and electronically scanned into a work packet for examination and entry into the Registry's electronic records management system.

CARES utilizes modern Cloud services, which includes an interactive web-based portal, allowing for immediate transmission of information between the public user and the Registry processor. This web-based portal streamlines the way the form information is populated and submitted into the Registry, while also helping to ensure that correct information is provided in full. A web-based means of submitting information allows for a more guided information exchange process (e.g., pre-populating known data, providing guidance material, client-side data validation techniques, etc.), and is expected to streamline the manner and timeframe in which the full and complete application information is provided by the public user to the Registry office for review. Currently CARES has limited capability and allows users to upload their documents for submission. However, the current legacy system is still being utilized until CARES is fully implemented.

CARES utilizes Login.gov to authenticate the identities of public users, ensuring compliance with the Federal Cybersecurity Requirements statutory mandate (6 USC § 1523 — Federal cybersecurity requirements, part (b)(1)(D)). This mandate directs agencies to implement a single sign-on trusted identity platform for individuals accessing each public website of the agency that requires user authentication. Public users must verify their identity before they are allowed to create a CARES account. Multifactor authentication is also employed during each login session to prevent identity theft. Users who fail ID verification will not be allowed to access functionalities within CARES.

In cases where the public user opts to mail paper-based forms to the Aircraft Registry, the CARES automation process will leverage Optical Character Recognition (OCR) and Intelligent Character Recognition (ICR) technologies to detect, extract, and analyze information provided on the paper forms. This information will then be properly formatted and imported into CARES, where it will be processed automatically, or redirected for FAA Examiner review when necessary. The use of paper forms submitted through the mail will eventually be phased out and all customers will be required to file the forms using CARES.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purpose described in Item 2 above.

There is only one Registry. There is no duplication of information.

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

The burden is the same for all security holders and is the minimum necessary information gathered to establish a security interest in an aircraft, engine, propeller, or spare parts location and to release the subject conveyance.

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.

There would be no consequence to the FAA. Security conveyances are not required to be submitted. It is up to the security holder whether to submit their security interest. The consequence of the security holder not filing their security interest would be the possibility of the owner selling or exporting the aircraft without the secured party's knowledge. And the new owner would not have the knowledge that there is a security interest in the aircraft.

- 7. Explain any special circumstances that would cause an information collection to be conducted in a manner:
 - requiring respondents to report information to the agency more often than quarterly;
 - requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
 - requiring respondents to submit more than an original and two copies of any document; requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;
 - in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;
 - requiring the use of a statistical data classification that has not been reviewed and approved by OMB;
 - that includes a pledge of confidentiality that is not supported by authority
 established in statute or regulation, that is not supported by disclosure and data
 security policies that are consistent with the pledge, or which unnecessarily impedes
 sharing of data with other agencies for compatible confidential use; or requiring
 respondents to submit proprietary trade secrets, or other confidential information
 unless the agency can demonstrate that it has instituted procedures to protect the
 information's confidentiality to the extent permitted by law.

There are no special circumstances.

8. Provide information on the PRA Federal Register Notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the agency in response to those comments. Describe the efforts 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 on the data elements to be recorded, disclosed, or reported.

A 60-day comment period was published on (June 24, 2025) (90 FR 26898) solicited public comment. No comments were received.

The Aircraft Registry has an email portal whereby customers can submit any comments or suggestions at any time. Any comments or suggestions are reviewed and considered for possible improvements to the forms or processes in this collection.

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

There are no payments or gifts provided to respondents.

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

There is no assurance of confidentiality to the respondents.

11. Provide additional 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 information. The statement should:
 - Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices. * If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens.
 - Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included under item 13.

The Registry estimates the burden based on statistical information collected by the Registry each fiscal year. In FY2024, respondents filed 25,216 security conveyances and 18,252 releases for a total of 43,468 filings. The Registry estimates the time to complete the AC Form 8050-98 is 45

minutes. The burden estimate does not relate to the actual completion of the AC Form 8050-41, Notice of Recordation. FAA personnel at the Registry fill out the form and the secured party signs the bottom when it's time to release their interest. The Registry estimates the time to complete the Release is 15 minutes.

(Security Conveyance)

Summary (Annual numbers)	Reporting	Recordkeepin g	Disclosure
# of Respondents	25,216		
# of Responses			
per respondent	1		
Time per			
Response	.75 hours		
Total # of			
responses	25,216		
Total burden			
(hours)	18,912		

(Release)

Summary (Annual numbers)	Reporting	Recordkeepin g	Disclosure
# of Respondents	18,252		
# of Responses			
per respondent	1		
Time per			
Response	.25 hours		
Total # of			
responses	18,252		
Total burden			
(hours)	4,563		

Based upon the U.S. Bureau of Labor Statistics Occupational Handbook the estimated median wage for a Loan Officer is \$33.65 per hour. Using BLS's Employer Costs for Employee Compensation memo released March 14, 2025, the FAA calculated the mean hourly wage, plus benefits, for these officers to be \$48.33 (\$33.65 + \$14.68). The total estimated annual cost burden to the respondents to complete the AC Form 8050-98 is 24,658.88 X \$48.33 for a total annual cost of \$1,191,763.67. The total estimated annual cost burden to the respondents to

¹ <u>Loan Officers</u>: <u>Occupational Outlook Handbook</u>: <u>U.S. Bureau of Labor Statistics</u>

² Employer Costs for Employee Compensation - December 2024

complete the AC Form 8050-41 is 18,252 X \$48.33 for a total annual cost of \$882,119.16. The overall total cost is \$2,073,882.83.

13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information.

There is an additional cost for postage if the forms are mailed: \$0.68 X 43,468 = \$29,558.24. The cost would be significantly less if respondents submit the forms through the email portal or CARES.

14. Provide estimates of annualized costs to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.

FAA Aircraft Registration Branch Legal Instruments Examiners and contract staff process all incoming documents. Based on workload statistics from FY2024, the chart below shows a breakout of processing time in hours for both Legal Instruments Examiner (\$31.64 per hour) and contractor (\$33.75 per hour). It's estimated an Examiner spends approximately .5 hours processing a document and a contractor spends approximately .3 hours. The total annualized cost to the Federal government is \$1,127,777.26.

Employee	Filings	Time in Hours	Cost
Examiner	43,468	21,734	\$687,663.76
Contractor	43,468	13,040.40	\$440,113.50

15. Explain the reasons for any program changes or adjustments.

The burden is based on customer submissions which fluctuates up or down from year to year. The AC Form 8050-98 was moved from OMB collection 2120-0042 – Aircraft Registration since it is applicable to security conveyances and not a registration requirement.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

There are no planned publications.

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.

The Registry is not seeking an exemption.

18. Explain each exception to the certification statement identified in Item "Certification for Paperwork Reduction Act Submissions."

There are no exceptions.