

**Supporting Statement
FAA Entry Point Filing Form
OMB 2120-0697**

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating and authorizing the collection of information.

This information collection supports the Department of Transportation's strategic goals on safety and security. The information collected is necessary to obtain an authorization code for transmission of information to the International Registry.

The Convention on International Interest in Mobile Equipment, as modified by the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment (herein after the Cape Town Treaty or Treaty), provides for the creation of the International Registry. The International Registry is an electronic registry system and will work in tandem with the current system operated by the FAA Civil Aviation Registry for the United States.

Congress designated the FAA Civil Aviation Registry as the exclusive United States Entry Point for transmissions to the International Registry. To transmit certain types of interests or prospective interests to the International Registry, interested parties must file a completed FAA Entry Point Filing Form – International Registry, AC Form 8050-135, with the FAA Civil Aviation Registry. Upon receipt of the completed form, the FAA Civil Aviation Registry will issue the unique authorization code.

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.

14 CFR Part 49.61 designates the FAA Civil Aviation Registry as the entry point for authorizing the transmission of information to the International Registry affecting United States civil aircraft. The FAA Civil Aviation Registry will enter the party name(s), collateral description(s), and the authorization code into its existing database system. It is expected that interested parties will access the information to determine if an authorization code was issued. Interested parties may request a copy of the completed AC Form 8050-135 by submitting a written request identifying the authorization code.

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, e.g. permitting electronic submission of responses and the basis for the decision for adopting this means of collection.

The form will be available for download through our website, however, it is expected that these forms will be hand delivered or mailed to the FAA Civil Aviation Registry as they must be submitted together with the documents representing the transaction. The related documents must meet the recording requirements of 14 CFR Part 49. Prospective interests, however, may be submitted by fax as there is no requirement for documents. Documents related to prospective interests are not recordable under 14 CFR Part 49. The issuance of the authorization code is a manual process. We expect to receive the form, review it to see that it is complete and acceptable to issue the authorization code, send it through a printer capable of imprinting the unique authorization code, make a copy of the form to keep in our office, and return the original form to the respondent. Because we are required to issue a unique code, we must maintain control of these numbers. If these forms were also accepted in an electronic format we would be required to create a system capable of generating the unique authorization code automatically, in addition to the manual process. The data will be input into the Aircraft Registration database for search capabilities. The AC Form 8050-135 will be scanned and the image stored in an electronic administrative file. These images are retrievable by entering the authorization code in the database and accessing the imaging system software.

Currently 0% of these responses will be received by FAA electronically; however, the respondent will electronically transmit the data to the International Register.

4. Describe efforts to identify duplication. Show specifically why any similar information already available can be used for the purpose described in Item 2 above.

The FAA Civil Aviation Registry is the exclusive U.S. entry point for transmissions to the International Registry; therefore, there is no duplication of records or recordkeeping.

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

We have tried to reduce the burden on all respondents to a minimum. However, the procedures and information needed to obtain an authorization code are the same for all respondents.

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 frequency of the collection is determined by the respondent.

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

The collection of information is consistent with the guidelines in 5 CFR 1320.5(d)(2)(i)-(viii).

8. Describe 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 data elements to be recorded, disclosed, or reported.

A notice was published in the Federal Register soliciting public comment on June 12, 2014, vol. 79, no. 113, page 33798. No comments were received.

Throughout the drafting of the changes to 14 CFR Parts 47 and 49, the changes to 49 U.S.C. Chapter 441, and the creation of the AC Form 8050-135, the FAA Civil Aviation Registry working with the Aeronautical Center Counsel consulted interested persons outside the agency. An interested group of attorneys and lawyers, the U.S. State Department, and a representative of the Export-Import Bank to name a few, were key to making these changes.

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

No payment or consideration is given.

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

We do not assure confidentiality.

11. Provide additional justification for any questions of a sensitive nature.

No information of the sensitive nature is requested nor required to obtain an authorization code.

12. Provide estimates of hour burden of the collection information. This information should: Provide number of respondents, frequency of response, annual burden, and an explanation of how the burden was estimated.

The annualized cost is \$204,765 (6,375 hours x the Paralegal rate of \$32.12)

Total number of aircraft registered	357,489
Approximate number of aircraft that are eligible to submit information to the International Registry	88,000
Ratio of eligible aircraft to total Number of registered aircraft is	25%

Approximate number of collateral items processed by the Registry (This figure includes security agreements filed for aircraft, engines, propellers, and spare parts, or a combination of collateral.)	62,000
Estimated number of security agreements for engines, propellers, and spare parts received annually	<u>27,000</u>
Approximate number processed minus estimate for engines, propellers, and spare parts	<u>35,000</u>
25% of the approximate number processed minus estimate for engines, propellers and spare parts estimates the number of security agreements that would likely be filed under the Rule	8,750

Even though every eligible aircraft will likely not be the subject of a security document filing annually, the Registry figures the number of documents filed representing prospective interests, a new category under the rule, will augment our receipts sufficiently to support the estimate of 8,750.

Estimated time to complete the single page FAA Entry Point form in minutes	30
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Approximately number of hours spent annually completing the required form	4,375
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The Registry expects that most companies that file these types of security agreements will be law firms and a technical level (paralegal) person will be completing the form for submission to the Registry. The hourly burden should be based upon the hourly rate of a paralegal. The paralegal hourly salary was derived from the Bureau of Labor Statistics website, based on the May 2013 National Occupational Employment and Wage Estimates for Legal Occupations (SOC number 23-2011)/

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

There are no additional costs not already included in question 12.

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

The annualized cost burden (in thousands of dollars) for the Federal Government is \$193. The Registry estimates one full-time Cashier’s section employee will be required to support the Registry’s responsibility as portal to the International Registry. Also, the Cashier’s section supervisor will be dedicating 10% of his/her time to this function. The Registry has established an in-house scanning process to capture and retrieve the image of the FAA Entry Point Form and any attachments. Federal employees perform the preparation and quality control functions. Contractors perform the scan and index functions. The equipment needed to support this function is a scanner, copy machine, printer, and PC equipment. A life cycle of five (5) years for equipment was used in the calculation of the annualized cost for the government. The copy machine and scanner both require annual maintenance contracts. Copier paper and printer ribbon are the only additional supplies the Registry anticipates requiring supporting this function. The Registry mainframe computer usage is costed at \$2.29 per unit. This figure is based on calculations used in the development and submission of user fees. A unit is loosely defined as a transaction between the Registry and the mainframe. Each time the Registry communicates with the mainframe a transaction occurs. The Registry estimates 8,750 filings annually and only the index and quality control functions will require accessing the computer network mainframe. No additional fixed costs for development of the program, drafting of regulation, etc., have been included in this estimate as all staff are employees of the Registry and are performing tasks within their regular job assignments.

Management –

Cashier’s Supervisor, FG-0986-H	
Current salary \$67,671 x 5% (COL) x 10%	\$ 7,105.45

Regular FTE –

FTE Cashier, Registry Program Assistant, FG-0986-07/03	
Current \$41,377 x 5% (COL) x 100%	\$43,445.85
Prep \$19.83 X 960	\$19,036.80
QA \$19.83 X 960	<u>\$19,036.80</u>
	\$81,519.45

Contractors –

Scan (Insp I) \$20.88 x 960 hrs	\$20,044.80
Index (Insp. III) \$24.96 x 960 hrs	\$23,961.60
Supervisor (II) \$34.53 x 96 hrs	\$ 3,314.88
Lead (Insp IV) \$37.43 x 48 hrs	<u>\$ 1,796.64</u>
	\$49,117.92

Equipment and Maintenance -

Copy Machine purchase \$7,500/5 yrs	\$ 1,500.00
Copy Machine maintenance (annual)	\$ 633.00
22 Scanners \$5,343 ea/4 years	\$ 1,336.00
Scanner maintenance (annual)	\$ 766.00
PC Equipment/Configuration	
\$1,200.00/4 yrs	\$ 450.00
Printer \$500/4 yrs	\$ 125.00
	<u>\$ 4,810.00</u>

Supplies –

Portfolio folders – 12,815 X \$0.121 ea	\$ 1,551.00
Blue paper – 15 cases @ \$41.19	\$ 618.00
Copier paper – 30 cases @ \$35.05	\$ 1,052.00
Printer toner –	\$ 450.00
Envelopes 50 @ \$0.03	\$ 2.00
Fax Toner \$108.24/5	<u>\$ 22.00</u>
	\$ 3,695.00

Computer Time (Mainframe) –

Cost per Unit = \$2.29

Index – 6,750 x \$2.29	\$15,457.50
Scan – 6,750 x \$2.29	\$15,457.50
QC – 6,750 x \$2.29	<u>\$15,457.50</u>
	\$46,372.50

15. Explain reasons for program changes or adjustments reported in Items 13 or 14 of OMB Form 83-1.

The current rate for paralegal services has been updated.

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.

No publication is planned for 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 approval to not display the expiration date.

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

There are no exceptions.