

**Supporting Statement For
Paperwork Reduction Act Submission**

**Justification
OMB #2120-0043**

SUBJECT: Recording of Aircraft Conveyances and Security Documents

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.

Title 49, U. S. C. Section 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 engines, propellers, or spare parts locations, and for recording of releases relating to those conveyances. Federal Aviation Regulations Part 49 (14 CFR 49) establishes procedures for implementation of 49 U. S. C. 44108. Part 49 describes what information must be contained in a security conveyance in order for it to be recorded with FAA. The convention on the International Recognition signatory, prevents, by treaty, the export of an aircraft and cancellation of its nationality marks if there is an outstanding lien recorded. The Civil Aviation Registry must have consent or release of lien from the lienholder prior to confirmation/cancellation for export.

This information collection directly supports the Department of Transportation's strategic goals concerning safety and security. Recording of security conveyances is necessary to ensure proper compliance with provisions of Section 44108 of Title 49 USC. Proper recording of liens against aircraft is necessary to advance the nations vital security interest in support of national strategies by ensuring the national transportation system is secure.

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.

On occasion that an aircraft purchaser satisfies his/her debt, the holder of the security interest in an aircraft is mandated to report information to the Civil Aviation Registry. On occasion that a lien/debt has been satisfied and fulfilled, the lienholder completes Part II of form AC Form 8050-41, Notice of Recordation, with a date and signature to signify release of the debt. The lien holder sends the form to the Registry so that the encumbrance may be removed from the record. The lien holder may submit the same information without using the form, if desired.

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.

In accordance with the Government Paperwork Elimination Act (GPEA), the Civil Aviation Registry continues to modernize its recordkeeping process. However, this does not affect the information gathering. The holder of the security interest must submit an original security conveyance in order to record such security interest with the Civil Aviation Registry. 14 CFR Part 49.13 states that each conveyance must be signed in ink. Only information necessary for valid legal recording of a lien is required by the agency.

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.

No duplication of either information or information-gathering is present.

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

The burden is the same for all lienholders and is the minimum necessary to establish legal claim to a security interest in an aircraft, engine, propeller, or spare parts location.

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.

This does not apply to security conveyances since they are submitted only once, when a security interest is given.

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).

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 Federal Register Notice published on October 9, 2018 (83 FR 50740) solicited public comment. No comments were received.

Instructions and certain forms, including a generic security agreement template, are accessible at our Registry website. The website allows customers to respond.

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

There are no payments or gifts to respondents.

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

No confidentiality assured to the respondents..

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

There are no questions of a sensitive nature.

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.

Respondents: 1 hour x 23,681 respondents (FY17) = 23,681 hours annually x \$25 per hour average salary for parties involved in processing of lien by loan officer and borrower = \$592,025 annually.

The 1 hour estimate for respondent burden does not relate to the actual completion of the AC Form 8050-41, Conveyance Recordation Notice and Release. FAA personnel at the Civil Aviation Registry complete the form. However, in order for the Civil Aviation Registry to meet requirements as set forth in FAR Part 49 (recording requirements) and 49 U. S. C. 44108 and 4 U. S. C. 1830 (establishing and maintaining a title to, or interest in, U.S. civil aircraft), the following action must be completed: Conduct a title search, research for releases, chain of title, and research for change of ownership, as well as the borrower must obtain the loan and fill out a loan application with a loan officer. The total time involved is considered the burden placed on the public and was rounded to 1 hour.

- a. Time for loan officer to assist borrower with loan application: 20 minutes
- b. Time used by borrower during interview: 20 minutes
- c. Time for title search, research for releases, chain of title, and changes of ownership: 15 minutes

Total Burden: 55 minutes

Changes in burden figures are because numbers from the most recent complete FY were used. Those numbers change from year to year as they are driven by public activity and not by a government requirement.

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

There are no costs other than reported in question 12.

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.

The total annualized cost for producing and mailing 9,486 (FY17) AC 8050-41 Notice of Recordation forms (produced upon recordation of filed security conveyances) to filing lienholders, including direct and indirect costs at \$22 per unit is \$208,692.

Gvt Legal Instruments Examiner	.75 hr	@ \$26.33 per hr	\$19.75
Contract Clerk (Print/File/Mail)	.10 hr	@ \$22.45 per hr	\$2.25
Total Per Unit			\$22.00

The total annualized cost for recording/processing 23,681 (FY17) AC 8050-41 Notice of Recordation forms returned to the Registry for showing release of the encumbrance is \$331,534 for **a total annualized cost to the Federal Government** at \$14 per unit of **\$540,226**.

Gvt Legal Instruments Examiner	.35 hr	@ \$26.33 per hr	\$ 9.22
Contract Clerk (Mail)	.05 hr	@ \$22.45 per hr	\$ 1.12
Contract Clerk (Prep)	.05 hr	@ \$26.02 per hr	\$ 1.30
Contract Clerk (Index)	.05 hr	@ \$26.02 per hr	\$ 1.30
Contract Clerk (Scan)	.05 hr	@ \$20.63 per hr	\$ 1.03
Total Per Unit			\$13.97

Total Government Cost = \$208,692+. \$540,226. = \$748,918.00

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

Changes in burden figures are based on numbers from the most recent complete FY. Those numbers change from year to year as they are driven by public activity and not by a government 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.

There are no publications planned.

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 for Paperwork Reduction Act Submissions," of OMB Form 83-I.

There are no exceptions.