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January 26, 2006

SUBMITTED TO: <http://dms.dot.gov>

U.S. Department of Transportation  
400 Seventh Street, SW  
Nassif Building, Room PL-401  
Washington, DC 20590

Re: Docket No. FAA-2006-26408  
ARSA Request for Extension of Comment Period

Dear Sir or Madam:

Pursuant to 14 CFR § 11.47, the Aeronautical Repair Station Association (ARSA) respectfully requests the Federal Aviation Administration (FAA) to extend the comment period for Docket No. FAA-2006-26408, Notice of Proposed Rulemaking (NPRM) titled "Repair Stations." Specifically, we ask for an additional 90 days from the present March 1, 2007 deadline.

The ARSA represents international organizations involved in designing, producing, operating and maintaining civil aviation products. As the name suggests, our association is mainly comprised of repair stations certificated under 14 CFR part 145. Obviously, these members will be directly and significantly impacted by the changes contemplated in this rulemaking.

The need for an extended comment period arises from the scope and extent of the proposed changes in the NPRM and the impact it will have, both operationally and financially, on small businesses. For these reasons, as described further below, an extension to the comment period is in the public interest.

Among the significant changes proposed are: a new system for "ratings;" the necessity of a "capabilities list" (which seemingly eliminates the option of maintaining this information on the Operations Specifications); and the addition of an entirely new section, 145.211, that would appreciably increase quality system requirements. Each of these proposals represents a major adjustment to current operations for most repair stations.

To effect these revised rules, a repair station must dedicate substantial resources to analysis of current practices, identification of deficiencies and, in many instances, creation of entirely new documents and procedures. Unfortunately, the true impact on small entities is understated in the NPRM which states, in part, that:

For this proposed rule, a small entity is defined as "Other Support Activities for Air Transportation" (North American Industrial Classification System 488190) with revenues of \$6 million or less. Revenue data compiled by Dun and Bradstreet indicates that some 2,354- repair stations have revenues of \$6 million or less and that the average revenue per small entity is \$1,272,500. The initial cost per small repair station to implement the quality system is estimated at \$8,700 and this cost would not be incurred by approximately half of the small repair stations that already have voluntarily implemented quality systems. However, these repair stations would incur some additional minimal costs to comply with the proposed requirement. In addition, a small repair station would incur administrative costs of \$490 to comply with the rating system and the capability list requirements. The \$490 consists of \$325 for rating system costs,

and \$165 to prepare a capability list. The total initial cost for a small repair station without a quality system is \$9,200 (\$8,700 + \$490) or approximately seven-tenths of one percent of the average small repair station's annual revenue. The annual cost for a small repair station to maintain the quality system is estimated at \$2,900. The FAA does not find the costs associated with this proposal to be a significant burden.<sup>1</sup> (*Emphasis added*)

We disagree with this conclusion. These numbers fail to account for the considerable amount of small repair stations with annual revenue well below \$1,272,500. For instance, implementation of the new rules would require a two person repair station with \$200,000 in annual revenue to spend nearly 5% of their yearly gross. This is a significant expenditure and clearly a significant burden that will likely result in the closure of numerous small businesses.

It must be understood that a great many repair stations consist entirely of a few individuals providing a very specialized service. Indeed, many of our members fit this category. They are small businesses in the true sense. As such, they do not have personnel to assign or departments dedicated to regulatory surveillance. Their focus, necessarily, is compliance with current regulations and day-to-day operations.

We have alerted our membership of the proposed changes and, in return, have heard some concerns over the planned modifications. However, due to the level of repair station sophistication and awareness, as previously mentioned, this is a slow and continuing process.

Our intention, to the extent possible, is to consolidate the comments we receive and make one comment submission that addresses all of the issues raised by our repair station community. The value of these comments inevitably will depend on the length of time afforded the industry to respond.

Therefore, the current period for comments, relative to the extent of changes contained in the NPRM, needs to be lengthened to ensure full participation by the small companies most significantly impacted. Consequently, we ask that the date be extended to June 1, 2007.

We look forward to your favorable response on this issue and the enhanced opportunity to provide meaningful comment to the proposed rule.

Sincerely,



Craig L. Fabian  
Associate Counsel

cc: James Ballough, AFS-1  
George Bean, AFS-340  
Dan Bachelder, AFS-340

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<sup>1</sup> 71 FR 70268 (December 1, 2006)