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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 47

[Docket No. FAA-2008-0188; Notice No. 08-02]
RIN 2120-AI89

Re-Registration and Renewal of Aircraft Registration

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: The FAA proposes to amend requirements concerning the registration of aircraft. This proposal is based on the need to increase and maintain the accuracy of aircraft registration information in the Civil Aviation Registry. The proposed procedures would ensure aircraft owners periodically provide information regarding changes in registration. These amendments would respond to the concerns of law enforcement and other government agencies and would provide more accurate, up-to-date aircraft registration information to all users of the Civil Aviation Registry database.

DATES: Send your comments on or before May 28, 2008. Send your comments on the proposed information collection requirements on or before May 28, 2008.

ADDRESSES: You may send comments identified by Docket Number FAA-2008-0188 using any of the following methods:

Federal eRulemaking Portal: Go to <http://www.regulations.gov> and follow the online instructions for sending your comments electronically.

Mail: Send comments to Docket Operations, M-30, U.S. Department of Transportation, 1200 New Jersey Avenue, SE., Room W12-140, West Building Ground Floor, Washington, DC 20590-0001.

Hand Delivery or Courier: Bring comments to Docket Operations in

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Room W12-140 of the West Building Ground Floor at 1200 New Jersey Avenue, SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Fax: Fax comments to Docket Operations at 202-493-2251.

For more information on the rulemaking process, see the SUPPLEMENTARY INFORMATION section of this document.

Privacy: We will post all comments we receive, without change, to <http://www.regulations.gov>, including any personal information you provide. Using the search function of our docket web site, anyone can find and read the electronic form of all comments received into any of our dockets, including the name of the individual sending the comment (or signing the comment for an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the Federal Register published on April 11, 2000 (65 FR 19477-78) or you may visit <http://DocketsInfo.dot.gov>.

Docket: To read background documents or comments received, go to <http://www.regulations.gov> at any time and follow the online instructions for accessing the docket. Or to the Docket Operations in Room W12-140 of the West Building Ground Floor at 1200 New Jersey Avenue, SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: John Bent, Civil Aviation Registry, AFS-701, Mike Monroney Aeronautical Center, 6500 South MacArthur Boulevard, Oklahoma City, OK 73169; Telephone (405) 954-4331; e-mail john.g.bent@faa.gov.

SUPPLEMENTARY INFORMATION: Later in this preamble under the Additional Information section, we discuss how you can comment on this proposal and how we will handle your comments. Included in this discussion is related information about the docket, privacy, and the handling of proprietary or confidential business information. We also discuss how you can get a copy of this proposal and related rulemaking documents.

Authority for This Rulemaking

The FAA's authority to issue rules regarding aviation safety is found in Title 49 of the United States Code. Subtitle I, Section 106 describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the agency's authority.

This rulemaking is promulgated under the authority described in Subtitle VII, Part A., Subpart III, Chapter 441, Section 44111. Under that section, the FAA is charged with prescribing regulations considered necessary to carry out this part. In that section, Congress mandated the Administrator make modifications in the system for registering and recording aircraft necessary to make the system more effective in serving the needs of buyers and sellers of aircraft; officials responsible for enforcing laws related to the regulation of controlled substances and other users of the system. Other users of the system include persons charged with maintaining safety in air transportation and law enforcement agencies charged with maintaining national security. The modifications described in this NPRM include measures to ensure positive, verifiable, and timely identification of the true owners of aircraft operated in the national airspace system. For these reasons, these proposed changes are within the scope of our statutory authority and are a necessary and reasonable exercise of that authority.

I. Background

The Civil Aviation Registry (Registry) is responsible for developing, maintaining, and operating the national program for the registration of United States civil aircraft. In that capacity, the Registry's Aircraft Registration Branch maintains records on approximately 340,000 aircraft.

During the 1980s, the use of aircraft in drug smuggling became an issue of increasing concern for the U.S. Customs Service, the Drug Enforcement Administration, and law enforcement agencies at all levels of government. These agencies, seeking quick and accurate identification of owners of civil aircraft, advocated an annual registration requirement. In 1988, Congress passed the FAA Drug Enforcement Assistance Act of 1988 (FAA DEA Act) (partially codified at 49 U.S.C. 44111), expanding FAA's mission to include providing assistance to law enforcement agencies involved in the enforcement of laws that regulate controlled substances. In the FAA DEA Act, Congress identified specific shortcomings in the system of records, mandated specific modifications, and authorized and directed rulemaking to make the aircraft registration system more effectively serve the needs of buyers and sellers of aircraft, law enforcement officials, and other users of the system.

In response to this mandate, the FAA has made a number of administrative modifications to its registration process including requiring physical addresses or locations of owners; requiring legible printed or typed names on an application for aircraft registration; and various technical upgrades to the system of records.

The FAA also implemented a focused enforcement program under which nearly 1,000 Certificates of Aircraft Registration (Certificates) have been revoked. This program concentrates on aircraft where a change in ownership has occurred, but the last registered owner has failed to complete and return the Certificate as required by 14 CFR 47.41(b).

Notwithstanding administrative modifications to the registration system, legal enforcement efforts, the requirement for return of a Certificate after any of the events listed in 14 CFR 47.41 and 47.43, and the requirement for completion of the Triennial Aircraft Registration Report (14 CFR 47.51), the number of aircraft on the Registry whose owner can not be positively and verifiably identified in a timely manner is increasing.

In addition to law enforcement need for aircraft registration information, user needs for accurate and current aircraft registration information have increased, and the many incremental improvements attained through automation and administrative changes are not sufficient to respond to those needs. While aircraft registration information is still used to support the delivery of airworthiness directives and other traditional safety-related uses, the information is increasingly relied upon for newer programs, such as flight plan verification.

While various levels of law enforcement have used and continue to use registration data for drug and other law enforcement purposes, their efforts now have expanded to include matters of homeland security. To achieve a level of registration data reliability to meet current and evolving needs of users, modifications to the aircraft registration system must be made to ensure that only eligible aircraft remain on the Registry and that aircraft registration changes are reported within established intervals.

Over the past several decades, the FAA has used several methods in an effort to maintain the accuracy of information on aircraft registration. From March 1970 through January 1978, Certificate holders

were required to file an annual report to keep the aircraft Registry updated and limited to only those aircraft eligible for registration. The requirement for the annual report was withdrawn in 1978, when the Registry was reasonably current and was expected to remain current through

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contact with aircraft owners over the ordinary course of business. The amendment withdrawing this requirement noted that a reporting requirement might need to be instituted for aircraft registrants from whom no information was received within a reasonable period of time. (43 FR 3900, Jan. 30, 1978)

This anticipation was fulfilled two years later on April 30, 1980, when Amendment 47-21 added 14 CFR 47.51 establishing the Triennial Aircraft Registration Report (Triennial). This regulation requires the holder of a Certificate to send, in response to a request from the FAA Aircraft Registry, a report on an aircraft when three years have passed without certain aircraft registration activities having taken place. Paragraph (d) of this section provides for the suspension or revocation of a Certificate when there is a refusal or failure to send the report. Unfortunately, the Triennial has not proven effective in maintaining the accuracy and currency of the aircraft registration database. For example, while the Registry can determine from mail returned as undeliverable that certain aircraft registration addresses are out of date, we are unable to make a determination regarding how many Triennials are delivered to a registered owner's (former) address of record and are simply discarded by the current occupant. Efforts to improve the effectiveness of the Triennial through enforcement have proven to be expensive, time-consuming, and ineffective.

Modern technology has allowed registration data to be used in increasingly sophisticated ways. An example of a technologically enabled proactive program needing accurate data is an initiative developed by FAA Strategic Operations Security with the Transportation Security Administration. See 70 FR 73323, December 9, 2005. This program uses aircraft registration status, along with other information, as a basis for granting or denying aircraft access to the national airspace system. An aircraft seeking to operate in U.S. airspace will have its identification checked. If the information found is sufficiently inconsistent with the profile of a properly registered aircraft, a pilot deviation will be filed on the operator, and the operator may be denied access to the national airspace. This program and others like it operate in real time and draw their information directly from Registry databases. The events of September 11, 2001, and our continuing war on terrorism have created additional motivation to develop every resource that can be used by government agencies seeking to ensure the day-to-day safety of our nation.

To minimize the chance of disruptions for aircraft operators and effectively meet the needs of all users of the aircraft registration system and its data, the FAA has determined that the Aircraft Registry needs to confirm the status of questionable aircraft registrations and ensure the registry data is maintained at the highest reasonable level of accuracy.

How accurate are the records today? Since the annual registration eligibility requirement ended in 1978, many aircraft have left service, been sold, or had owners who moved without reporting their change of status or address. Of the more than 343,000 aircraft registered, an

estimated 104,000, or about one-third, are possibly no longer eligible for registration. Over the last several years:

17,000 aircraft have been reported as sold by their former owners without the purchasers making application for registration (with about 15,900 being in the ``sale-reported'' category for more than 6 months);

4,700 have started registration without completing the requirements (with about 2,100 being in the ``registration-pending'' category for more than 12 months);

About 30,100 aircraft are known to have bad addresses well beyond the 30 days allowed for reporting changes;

Almost 14,700 aircraft have had their Certificates revoked due to bad addresses, but remain in the system to prevent reassignment of their U.S. registration number (N-Number) until the FAA is positive the aircraft is no longer operating with that N-Number; and

Up to 41,000 additional unidentified aircraft are estimated to be inactive or possibly no longer eligible for registration.

In addition to increased accuracy, removing ineligible aircraft from the Registry would eliminate a large pool of questionable N-Numbers. As mentioned above, the FAA, in concert with TSA, is evaluating flight plan filings to determine if an aircraft has the proper profile for operation in the national air space. It is advantageous to a drug trafficker or a terrorist to use an airplane with a registered N-number as these airplanes would be subject to less scrutiny. Revoking these registrations using 14 CFR part 13 enforcement procedures is slow, expensive, adversarial, and does not cancel the assignment of the N-number.

With almost one-third of the aircraft on the register having a questionable registration status, it is clear that the needed accuracy and currency of aircraft registration data cannot be met with the present system of indefinite-duration Certificates that relies primarily on aircraft owners to report address changes, aircraft sales, aircraft destruction, or loss of registration eligibility. The FAA believes that limiting the duration of a Certificate would be the most effective method of increasing the accuracy of its records. Thus, the FAA, seeking to meet current and future needs, proposes in this NPRM:

The expiration of all Certificates for currently registered aircraft with re-registration requirements for those aircraft that remain eligible for registration;

The periodic expiration of all Certificates issued after the effective date of the proposed rule with a registration renewal process;

Elimination of the present Triennial Aircraft Registration Report program in its entirety;

Limits on the time an aircraft may remain in the sale reported category (without an application being made for registration) before its N-Number assignment is canceled;

Limits on the time an applicant or successive applicants for registration have to complete the registration process and provisions for reserving the aircraft's N-Number if the aircraft is not registered at the end of this time; and,

Cancellation of the N-number of an aircraft registered under a Dealer's Aircraft Registration Certificate (Dealer's Certificate), if the Dealer's Certificate has expired and application for registration has not been made under Sec. 47.31.

Under this proposal, aircraft owners desiring to maintain

registration would have to re-register their aircraft within a specified time period. Re-registered aircraft would receive a Certificate with an expiration date, as would all new Certificates issued after the date of the rule. Thereafter, the Certificate would expire three years from the date of issuance, but would be renewable for successive three-year terms upon completion and submission of a brief renewal request form and payment of the applicable fee. A registered aircraft owner would have to promptly file re-registration and renewal actions. Since temporary operating authority ('pink copy') under 14 CFR 47.31(b) would not be available for renewal purposes, no transfer of ownership would have taken place. Upon completion of processing by FAA, the renewed Certificate with a new expiration date would be mailed to the registered owner

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at the address indicated on the renewal form.

Under 14 CFR 47.17, we currently charge \$5.00 for obtaining a certificate of aircraft registration and would charge the same amount for a renewal registration under this proposal. However, the FAA is pursuing fairer, more cost-based funding for the future. One of the FAA's goals for its pending reauthorization is to match FAA funding more closely with the costs of providing services. Current FAA funding does not align with FAA's costs to provide services, and the current aircraft registration fee, which has been \$5.00 since the mid-1960's, is an example of this disconnect. To move the FAA to a more cost-based organization, the Administration's proposal for FAA reauthorization, sent to Congress in February 2007, includes language that addresses registration and certification fees across the board. The House of Representatives adopted much of the Administration's proposal for these fees in H.R. 2881, which passed the House in September 2007. Once the outcome of the reauthorization legislation is known, the FAA will decide whether additional action is necessary through either further legislation or rulemaking.

This notice also includes several non-substantive, technical amendments to establish consistency and conform the regulations to statute or current Registry practices.

General Discussion of the Proposals

Aircraft Re-Registration and Periodic Renewal of Registration

The term 're-registration' as used in this document refers to the process for obtaining new Certificates for aircraft that were registered before the effective date of the rule and, therefore have a Certificate without an expiration date. The term 'renewal,' when referring to aircraft registration, refers to periodic registration required for any aircraft that has a Certificate with an expiration date (i.e., a Certificate issued after the effective date of the rule).

Currently, a Certificate does not expire. However, a Certificate may have been invalid from inception (see Sec. 47.43) or become ineffective upon the occurrence of any of the events specified in Sec. 47.41(a). The Certificate, with the reverse side completed, must be returned to the FAA Aircraft Registry after the sale of the aircraft or the occurrence of any other event specified in Sec. 47.41. If the holder complies and returns the Certificate, the aircraft records can then be updated. However, the Registry is frequently not notified of a

change affecting registration and consequently, the aircraft registration records may not reflect accurate registration information. If, for some reason, the Certificate were not available for return, proposed Sec. 47.41(b) would require the last registered owner to send a statement to the Registry explaining why the Certificate is not available.

Timely and adequate notice of ownership changes is the responsibility of the parties involved. The seller is responsible for returning the Certificate to the FAA with the reverse side completed. The new owner is responsible for filing an Aircraft Registration Application (Application) and evidence of ownership in compliance with part 47, if the owner intends to operate the aircraft.

Inaccurate records have many negative consequences. For example, FAA uses aircraft records to identify owners of specific aircraft, so that safety related information such as airworthiness directives, can be delivered to those owners. Because of inaccurate information, many safety related mailings are returned without delivery. Aircraft manufacturers also use aircraft records for similar reasons. Law enforcement and security agencies rely upon FAA's aircraft records to identify owners of aircraft, but in many cases they are unable to do so within a reasonable timeframe and with an acceptable level of confidence. Out-of-date registration information may possibly result in loss of property, and if safety related information is not received, could result in personal injury. The FAA has concluded, as noted earlier, that the level of accuracy in the system of records must be significantly improved to better serve the needs of the users of the system.

The FAA is proposing a 3-year renewal interval. The 3-year interval is based in part on its experience with the Triennial program (this program will be discussed in more detail later). With a 3-year renewal, the owner would bear the responsibility of meeting the renewal requirements as well as the consequences for failing to meet those requirements. This stands in contrast to the current situation in which a registered owner's failure to comply with regulatory requirements generally has no immediate consequences for that owner.

Presently about 35% of registered aircraft are operating on potentially ineffective registrations, because the Registry has not been notified of registration changes. With the implementation of the proposed 3-year renewal, according to the analysis provided in the preliminary Regulatory Evaluation (a copy of which has been placed in the docket for this rulemaking), we estimate that the inaccuracy rate would drop to about 5.6% of the 240,000 aircraft expected to remain on the register. By comparison, a 5-year renewal interval would likely result in an error rate of about 12.5%, and a 7-year renewal interval would result in an error rate of about 21.8%. Even under the 3-year renewal interval, avoiding data degradation due to registration information changes would depend upon aircraft owners reporting all changes in a timely manner.

Under proposed Sec. 47.40(a), any aircraft registered before the effective date of the rule would have to be re-registered over a 3-year period. Re-registration would provide updated aircraft registration information and result in the issuance of a Certificate of Aircraft Registration with an expiration date three years after the last day of the month in which the certificate is issued. An example of a schedule for re-registration with sample dates is provided in proposed section Sec. 47.40, to illustrate that aircraft registered in a given month would be required to re-register in a specific 3-month period. Because

the aircraft could not be legally operated beyond the end of the 3-month period, the application and registration fee should be filed for re-registration in a timely manner within the specific time period identified. The pink slip may not be used as temporary authority to operate an aircraft that is being re-registered. The FAA recommends application be made at least 45 days before the end of the 3-month period. This scheduling, as shown by these sample dates, is necessary to manage the Registry's workload during the re-registration period. The actual dates for re-registration would be established upon publication of the final rule, and the schedule shown in proposed section Sec. 47.40 would be changed accordingly.

As mentioned in the previous paragraph, if re-registration were not accomplished, the Certificate would expire. Thereafter, the N-number assigned to the aircraft would be administratively cancelled no earlier than 30 days following the end of the specific period of time given for re-registration. Proposed Sec. 47.15(i), described below, would provide for the cancellation of the N-number assignment for aircraft that do not accomplish re-registration within the specific timeframes.

Re-registration would have the most dramatic effect on the Aircraft Registry, eliminating as many as 104,000 aircraft that are likely no longer eligible for registration. This would be an enormous improvement in the accuracy of the

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aircraft registration database. However, to maintain the necessary level of accuracy, re-registration needs to be followed by periodic renewal. The FAA believes that a 3-year renewal interval would be the best choice.

Proposed Sec. 47.40(b) would establish a 3-year expiration for initial Aircraft Registration Certificates issued after the effective date of the rule. The expiration date would be three years from the last day of the month in which they are issued.

Approximately 120 days before the expiration date on a Certificate, the Registry would notify the aircraft owner at the address on the registration of the impending expiration and provide the Aircraft Registration Renewal form. The registrant would either mail in the Aircraft Registration Renewal form and a renewal fee, or if there were no change in registration information, file the completed form and pay the fee electronically through the Registry's Web site.

Under proposed Sec. 47.40(c), an applicant for renewal should apply 90 days in advance of the expiration date on the Certificate of Aircraft Registration to allow for receipt of the new certificate before expiration of the old one. A renewal certificate will expire three years after the expiration date of the previous certificate.

A first Certificate of Aircraft Registration issued on or after (effective date of final rule) expires three years from the last day of the month in which the certificate is issued. Subsequent Certificates of Aircraft Registration, issued upon compliance with the renewal requirement, will expire three years after the expiration date of the previous certificate. For example, an aircraft first registered on June 15, 2010, would receive a certificate with an expiration date of June 30, 2013. When first renewed, the renewal certificate would have an expiration date of June 30, 2016. Future renewal registration certificates would have expiration dates of June 30, 2019, then 2022, and so on, even if the Aircraft Registration Renewal is filed, processed, and the certificate is issued well before the current

expiration date.

If the aircraft was not re-registered within the timeframes identified in the schedule or the expiration date on the Certificate has passed, the Certificate would expire. Although the Registry would issue a reminder notice, even in the absence of such notice, the applicant would be responsible for taking action in a timely manner to obtain a new Certificate before the expiration date. An expired Certificate could not be used for operation after the expiration date on the certificate. Since retention of an N-number is contingent upon maintenance of an unexpired registration certificate, the registration number assigned to the aircraft would be administratively cancelled no earlier than 30 days following the expiration of the certificate.

Proposed Sec. 47.41(a) clarifies that a Certificate is no longer valid once it has expired, and proposed Sec. 47.15(i), described below, would provide for cancellation of the N-number assignment should the renewal of aircraft registration not be accomplished. Information regarding re-registration and renewal of aircraft registration would be posted on the Registry's Web site and also provided for media publication.

Benefits of re-registration and renewal of aircraft registration would reach every user of the Aircraft Registry database. The FAA would realize cost savings when mailing airworthiness directives, conducting surveys of aircraft owners, and accomplishing other necessary contacts with aircraft owners. Aircraft manufacturers would realize similar cost savings when mailing safety notices. The above mailings would potentially reach more aircraft owners, and mailing cost would be reduced by not sending mailings to owners and operators of inactive aircraft that would no longer be carried on the Registry. With more owners receiving this information, fewer would be at risk to experience safety issues. Vendors who send out useful information regarding aircraft products would benefit from more accurate aircraft registration information, as would the owners who would receive that information.

Triennial Aircraft Registration Report

In an effort to maintain accurate information, existing Sec. 47.51 requires an owner of a registered aircraft with no registration activity for the past 36 months to complete and send to the Registry a Triennial Aircraft Registration Report, AC Form 8050-73 (Triennial). If there has been a change in registered owner information, such as a change in current name, address, aircraft identification, or citizenship status, the returned form must reflect that change. The form is also used to report the sale, destruction, or other disposition of aircraft. We have gained experience and insight from the problems associated with the Triennial program. From the large number of Triennials that are returned as undeliverable, we have a count of known aircraft registrations with bad addresses. This count is not indicative of all such records, since some owners neglect to report an address change or leave a forwarding address. A new occupant who resides at the owner's former address may dispose of the mailing, viewing it as junk mail. As there are no current enforcement or follow-up actions, there is nothing to compel the owner to complete and return the Triennial.

The 70,000 Triennial report notices sent annually to Certificate holders typically prompt 9,000 address changes and identify 5,000 aircraft with undeliverable addresses. There are also an undetermined number of notices that reach registered owners who choose not to report

their aircraft's sale or destruction. Apart from the approximately 104,000 aircraft FAA projects as not eligible for registration, at any point in time at least 11.5% of the estimated 240,000 active aircraft on the register reflect inaccurate registration information. Because bad address returns and non-responses would result in the cancellation of an aircraft's registration under this proposal, this number should drop to the approximately 5.6% error rate cited earlier.

The FAA proposes to remove Sec. 47.51 and eliminate the requirement for aircraft owners to complete and return a Triennial Aircraft Registration Report, AC Form 8050-73. The proposed re-registration and renewal requirements would supersede and eliminate the need for the information obtained via the Triennial. The removal of the paperwork burden associated with the Triennial would help to offset that associated with the 3-year renewal requirement. A description of the paperwork burden associated with this NPRM appears later in this document.

Sale Reported and Registration Pending

There are currently about 17,000 aircraft (out of over 340,000) whose status is ``sale reported.'' Of these, about 15,900 have been in the ``sale reported'' category for more than 6 months, according to the preliminary Regulatory Evaluation. In these cases, FAA has received notice of a sale from the last registered owner, but no Application has been filed, and the aircraft has not been registered to the new owner. Historically, there have been approximately 17,000 ``sale reported'' aircraft at any given time. Many of the aircraft that were originally placed in this short-term category have remained there for more than two decades. This is due, in part, to Registry requirements that information effecting changes in aircraft registration come from authoritative sources who may not be available or willing to provide the

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information necessary to clarify the record. Almost 4,700 additional aircraft are in ``registration pending,'' which means the FAA has received evidence of ownership change and an Application, but due to various reasons is not able to complete the registration of the aircraft. Of these, about 2,100 have been in the ``registration pending'' category for more than 12 months. Under these circumstances, neither security and law enforcement agencies, nor the FAA, may be able to locate the owner.

Currently Sec. 47.41(b) requires the last registered owner to endorse the reverse of the Certificate and send it to the Registry after the sale of an aircraft or other event specified in Sec. 47.41. Not only is the return of a Certificate important for maintaining current records, it is in the owner's best interest to declare his relinquishment of responsibility for the aircraft's operation after a sale or other event resulting in termination of registration. If the Certificate is not available, proposed Sec. 47.41(b) would require the last registered owner to send a statement to the Registry as to why the Certificate is not available.

Based on our aircraft registration experience, the FAA considers six months in ``sale reported'' and 12 months in ``registration pending'' as the maximum reasonable time an aircraft should remain in these transitional categories. Proposed Sec. 47.15(i) provides that

when these time limits are exceeded, the FAA may cancel assignment of N-numbers. Although these two categories are distinct, an aircraft may be ``sale reported'' for some period and change to ``registration pending'' upon the submission of an Application. Thus, under the FAA proposal, there is the possibility of an aircraft remaining in these short-term transitional categories for up to 18 months.

Under this proposed rule, the FAA estimates that the numbers of aircraft in the ``sale reported'' and ``registration pending'' categories would decrease from their current levels of approximately 17,000 and 4,700, respectively. The FAA anticipates that after the effective date of this final rule, the number of aircraft in both categories would not go to zero, as new aircraft would be coming into the inventory on a daily basis. Thus, as this rulemaking would eliminate aircraft in the ``sale reported'' category with records greater than 6 months old and in the ``registration pending'' category with records greater than 12 months, the FAA expects the numbers of aircraft in these categories to decrease to about 1,300 and 2,500, respectively.

Temporary Authority To Operate an Aircraft

Title 49 U.S.C. 44101(b)(3) provides that an aircraft may be operated without registration for a reasonable period of time after a transfer of ownership. Existing Sec. 47.31(b) does not limit the time a duplicate (pink) copy of the Application together with an approved extension may be used to operate an aircraft. The FAA has determined that 12 months is a reasonable period of time to accomplish registration following a transfer of ownership. Proposed Sec. 47.31(b)(2) would establish 12 months as the maximum time that the pink copy of the Application, including any subsequently issued extensions, may be used as temporary authority to operate the aircraft after ownership has transferred, and registration requirements have not been met. If the owner has not registered the aircraft within the 12-month timeframe, the aircraft would not be eligible for operation. Proposed Sec. 47.31(b)(3) would clarify that temporary authority may not be used to operate the aircraft if there is no N-number assigned to the aircraft at the time application for registration is made. It is the responsibility of a prudent aircraft purchaser to establish whether the temporary authority to operate an aircraft is available prior to operation. It should be noted that expiration of a Certificate does not involve a transfer of ownership; therefore, pink copy operating authority would not be available.

Aircraft Registration

Proposed Sec. 47.41(a) would be revised to specify that a Certificate is effective until a specified event has occurred, such as registration being revoked, cancelled, expired, or the ownership of the aircraft is transferred. Registration has always ended upon revocation, cancellation, or change of ownership. The term ``expired'' would be added to include those registrations that have not been re-registered under proposed Sec. 47.40(a), following the date established in proposed Sec. 47.40(a)(2), and those registrations issued after the date of the final rule that have passed their expiration dates and have not renewed in accordance with proposed Sec. 47.40(c). At the point registration is no longer valid, the assignment of registration number would be cancelled in accordance with proposed Sec. 47.15(i). Since it

has not been the practice to suspend an aircraft registration, the term ``suspended'' would be removed from existing Sec. 47.41(a). Existing Sec. 47.41(a)(4) would be removed since reference to change of ownership would be incorporated into the introductory text.

Proposed Sec. 47.39 would clarify that an aircraft is registered on the date that the Registry determines that the requirements of part 47 have been met. The effective date of registration is shown by a date stamp on the Application and as the date of issuance on the Certificate. This would clarify that registration is not effective as of the date the Application and supporting documentation are received at the Registry.

Dealer's Aircraft Registration

Existing Sec. 47.61(b) states that a Dealer's Aircraft Registration Certificate (Dealer's Certificate) is an alternative for the Certificate and may be used for any aircraft properly registered under that Dealer's Certificate. If an aircraft owned by a dealer is registered under the Dealer's Certificate, and that Dealer's Certificate expires, the registration of the aircraft is no longer valid. Proposed Sec. 47.61(c) would add a requirement for those aircraft registered under a Dealer's Certificate that has expired. If an application for registration were not made under existing Sec. 47.31, the assignment of an N-number to any aircraft registered under that expired Dealer's Certificate would be cancelled. This is reflected in proposed Sec. Sec. 47.41(a) and 47.15(i). Before canceling the N-number, the Registry would provide written notice to the holder of the Dealer's Certificate to advise of the pending cancellation.

Existing Sec. 47.67 states that if a dealer is not a manufacturer, the holder of the Certificate must send evidence that he is the owner to the Registry before an aircraft can be operated under a Dealer's Certificate. Proposed Sec. 47.67 would clarify that the dealer must provide evidence of ownership sufficient under existing Sec. 47.11.

Assignment of Aircraft Registration Numbers (N-Numbers)

Under the Convention on International Civil Aviation (Chicago Convention), 61 Stat. 1180, ``Every aircraft engaged in international air navigation shall bear its appropriate nationality and registration marks.'' The United States complies with this requirement by issuing N-numbers to all registered aircraft, whether the aircraft are used for international or domestic flights. N-numbers must be placed on aircraft in compliance with 14 CFR part 45. The procedures for requesting and obtaining numbers are covered in 14 CFR part 47.

Existing Sec. 47.15 requires an applicant for registration to place a ``U.S.

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identification number (registration mark)'' on the application and on all supporting documents. All newly manufactured aircraft are assigned N-numbers; all aircraft previously registered in a foreign country that are being registered in the U.S. are assigned N-numbers. If a U.S.-registered aircraft is sold within the United States, the aircraft retains its N-number unless the new owner requests a new number.

Existing Sec. 47.15(a) requires for an aircraft last previously registered in the United States, that the applicant place the N-number

that is already assigned to the aircraft on the Application and supporting evidence, provided the aircraft was registered at the time ownership was transferred. If an aircraft was last previously registered in the United States, but registration was terminated or ended (e.g., at the request of the owner, destroyed/scrapped, exported, etc.), there is no assigned N-number. Proposed Sec. 47.15(a) would describe the procedure to acquire an N-number assignment.

Under existing Sec. Sec. 47.15(f) and 47.17, the Registry assigns a special registration number upon request and payment of a \$10.00 fee. A special registration number may be reserved for use at a later time. A number may also be reserved indefinitely by paying \$10.00 annually.

Existing Sec. 47.15(f) would be revised to specify the time within which a Certificate holder must place a special registration number on the aircraft after the Registry has authorized the number change. If not used, the authorization for a number change would expire one year from the date of issuance. Currently, the owner must notify the Registry within five days after placing the special registration number on the aircraft. The temporary authority to operate the aircraft with the special registration number would be valid only until receipt of a revised Certificate showing the new number, but not for more than 120 days from the date the number is placed on the aircraft. Frequently, the owner does not send the completed Assignment of Special Registration Numbers to the Registry in a timely fashion as required. The proposed change would place the responsibility on the registered owner to ensure that the completed Assignment of Special Registration Numbers is filed in a timely manner to ensure a revised Certificate can be received within 120 days.

Proposed Sec. 47.15(i) would clarify that an N-number is valid for operation only as long as the registration of the aircraft has not ended. The N-number would no longer be authorized for use when an aircraft is sold and not registered within stated time limits; a Certificate expires; a Certificate holder has not re-registered the aircraft under the re-registration requirements; or an aircraft is registered under a Dealer's Certificate that has expired, and application for registration has not been made under existing Sec. 47.31. This proposal would limit the time an aircraft's registration status may remain in the transitional period following transfer of ownership. The Registry would cancel the assignment of an N-number if the Registry receives notice of sale, and no Application is received within six months (sale reported). The N-number would be cancelled if more than 12 months have passed since a new owner has provided evidence of ownership from the last registered owner and an Application, but the requirements of this part have not been met (registration pending). The N-number would be administratively cancelled at the expiration of an appropriate interval following termination of registration. At the time an aircraft meets the criteria to end registration, the last owner of record would be provided reasonable, advance notice that the N-number would be cancelled and given the opportunity to reserve the number prior to its being placed in an unavailable status.

Proposed Sec. 47.15(j) would be added to clarify that if the last owner of record desires to reserve the N-number, the request for reservation and fee must be filed before cancellation. At the time of cancellation, the Registry database also allows for the process of reserving the N-number. If a request to reserve the N-number and fee were not received before cancellation, the number would be unavailable for use for a period of five years. After the 5-year period, that number would be available. The anticipated cancellation of the

estimated 104,000 N-numbers assigned to inactive aircraft would eventually free those numbers for reservation or assignment.

Technical Amendments

In addition to the changes we are adopting to implement the rulemaking, discussed above, we are also adopting a number of non-substantive changes to 14 CFR part 47. These technical amendments are primarily editorial in nature and are intended for clarification.

Proposed Sec. 47.2 would add the new definition of ``Registry'' to identify the FAA, Civil Aviation Registry, Aircraft Registration Branch. The definitions of U.S. citizen ``partnership'' and ``corporation'' would be revised to be identical with those found in 49 U.S.C. 40102(a)(15). Proposed Sec. 47.7(d) would also be revised to clarify that a partnership may apply for registration only if each partner is an individual citizen of the United States.

To ensure that signers' names can be clearly determined from the application record, proposed Sec. 47.13(a) now would specify that the name of each signer on an Application be typed or legibly printed in the signature block. Notice of this administrative change was published March 23, 2004, in the Federal Register (69 FR 13614). Proposed Sec. 47.13(a) also would clarify that a signature on an Application or a document filed as supporting evidence under this part must be in ink. The requirement for a request for cancellation of a Certificate to be signed in ink would be removed since the Registry does accept such requests by facsimile.

The requirements for instruments made by representatives and signature requirements are identical not only for an Application and a request for cancellation of a Certificate, but also for any document filed as supporting evidence. Proposed Sec. 47.13, paragraphs (b), (c), (d), (e), and (f), would include any document filed as supporting evidence under this part.

A continuing concern for law enforcement is the use by a person registering an aircraft of a post office box or ``mail drop'' as a return address for the purpose of evading identification of the registered owner's address. Proposed Sec. 47.45 would require that an applicant applying for a revised Certificate due to a change of address, provide a physical address or location when a post office box or ``mail drop'' is used for mailing purposes. This conforms to longstanding practice. Notice of this procedure was published October 20, 1994, in the Federal Register (19 FR 53013).

Proposed Sec. 47.45 would require that an applicant applying for a revised Certificate due to a change of address comply with the same requirement.

Proposed Sec. 47.49 would clarify that if a Certificate is lost, stolen, or mutilated, a written request is required stating the reason a replacement certificate is needed. It would also inform that the Registry issues a temporary Certificate by fax.

Paperwork Reduction Act

This proposal contains the following new information collection requirements. As required by the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)), the FAA has submitted the information requirements associated with this proposal to the Office of Management and Budget for its review.

Title: Aircraft Registration Renewal.

Summary: The FAA proposes to amend 14 CFR part 47, requiring aircraft registration be renewed 36 months after the issuance of the Certificate and each three years, thereafter, as long as ownership is not transferred. Information from the Aircraft Registration Renewal form would be used to update registration information in the Registry's database.

Use: This information collection supports the Department of Transportation's strategic goals on safety and security. The information collected will be necessary to obtain a renewal of aircraft registration.

Title 49, U.S.C. Section 44101(a) provides that a person may operate an aircraft only when it is registered under section 44013.

Currently aircraft registration does not expire. Under this proposal, each Certificate issued after adoption of the final rule would have a 3-year expiration date. If registration is to continue, each aircraft owner must apply for renewal by completing and filing an Aircraft Registration Renewal form at least 90 days before the expiration date on the Certificate. The aircraft owner would verify the existing registration information and report any changes. The Registry will use the information to update aircraft ownership information and place the form in the aircraft record. This proposal would support the informational needs of the Registry's database and all users of the database, including law enforcement and security agencies.

Respondents: The likely respondents to this proposed information requirement are all aircraft owners who want to continue registration past the expiration date on their Certificate. The FAA estimates the number of registration renewals would be 64,489 annually; however, the number of aircraft owners and the signature requirements for each aircraft vary depending upon the registration type (e.g., individual, partnership, government, or co-ownership).

Frequency: The FAA estimates that there would be 64,489 registration forms completed annually over the 20-year period examined by this proposed rule. This is based on the current estimate of 239,049 active registered aircraft and an annual average increase of 3,347 aircraft (to account for projected growth), as well as subsequent registration actions over this time period. The former number of aircraft would have to re-register, while the latter aircraft would have to register for the first time. After these initial registrations and re-registrations, aircraft would have to renew these registrations every three years. In addition, each year, a percentage of aircraft would renew earlier than their required 3-year schedule due to the normal course of business actions, such as an aircraft being sold and a new certificate being issued to the new owner/applicant. Over 20 years, the FAA estimates 1,289,786 forms would need to be completed, which averages 64,489 per year. The time to complete the single page Aircraft Registration Renewal form is estimated at 30 minutes. Therefore, 32,244.5 hours would be spent annually completing the required form. As described in the preliminary Regulatory Evaluation, the FAA estimates the hourly rate of an aircraft owner's time at \$37.20 in 2005 dollars, so half an hour would equate to \$18.60 per owner per form. Thus, the average cost per year equals \$599,747.70 (32,244.5 hours times \$18.60 per hour).

The proposed re-registration requirement would also increase the paperwork burden associated with the existing Aircraft Registration

Application collection (OMB No. 2120-0042).

Annual Burden Estimate: Over 20 years, the FAA estimates 1,289,786 forms would need to be processed. Of these forms, 188,379 would be for re-registration and 1,101,407 would be for renewal. As described in the preliminary Regulatory Evaluation, the FAA estimates processing costs of \$12.32 and \$9.26, respectively, per form. Over 20 years, these costs sum to \$12,519,856.52 (calculation: 188,379 times \$12.32 plus 1,101,407 times \$9.26), for an annual cost of \$625,992.83 (calculation: \$12,519,856.52 divided by 20). The FAA estimates that it will take 0.391 hours to process each re-registration form and 0.320 hours to process each renewal form. This difference comes from FAA's assumption that the time needed for certain tasks in the renewal process would be less than in the re-registration process, as these tasks would be done on-line, eliminating the need for paper to be processed. Over 20 years, the time to process all the re-registration and the renewals forms equals 73,656.19 hours and 352,450.19 hours, respectively, for a total burden of 426,106.37 hours, and an average annual burden of 21,305.32 hours.

The agency is soliciting comments to--

- (1) Evaluate whether the proposed information requirement is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- (2) Evaluate the accuracy of the agency's estimate of the burden;
- (3) Enhance the quality, utility, and clarity of the information to be collected; and
- (4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Individuals and organizations may send comments on the information collection requirement by May 28, 2008, and should direct them to the address listed in the ADDRESSES section at the end of this preamble. Comments also should be sent to the Office of Management and Budget, Office of Information and Regulatory Affairs, Attention: Desk Officer for FAA, New Executive Building, Room 10202, 725 17th Street, NW., Washington, DC 20053.

According to the 1995 amendments to the Paperwork Reduction Act (5 CFR 1320.8(b)(2)(vi)), an agency may not collect or sponsor the collection of information, nor may it impose an information collection requirement unless it displays a currently valid OMB control number. The OMB control number for this information collection will be published in the Federal Register, after the Office of Management and Budget approves it.

International Compatibility

In keeping with U.S. obligations under the Convention on International Civil Aviation, it is FAA policy to comply with International Civil Aviation Organization (ICAO) Standards and Recommended Practices to the maximum extent practicable. The FAA has determined that there are no ICAO Standards and Recommended Practices that correspond to these proposed regulations.

II. Regulatory Evaluation, Regulatory Flexibility Determination, International Trade Impact Assessment, and Unfunded Mandates Assessment

Changes to Federal regulations must undergo several economic

analyses. First, Executive Order 12866 directs that each Federal agency shall propose or adopt a regulation only upon a reasoned determination that the benefits of the intended regulation justify its costs. Second, the Regulatory Flexibility Act of 1980 (Pub. L. 96-354) requires agencies to analyze the economic impact of regulatory changes on small entities. Third, the Trade Agreements Act (Pub. L. 96-39) prohibits agencies from setting standards that create

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unnecessary obstacles to the foreign commerce of the United States. In developing U.S. standards, this Trade Act requires agencies to consider international standards and, where appropriate, that they be the basis of U.S. standards. Fourth, the Unfunded Mandates Reform Act of 1995 (Pub. L. 104-4) requires agencies to prepare a written assessment of the costs, benefits, and other effects of proposed or final rules that include a Federal mandate likely to result in the expenditure by State, local, or tribal governments, in the aggregate, or by the private sector, of \$100 million or more annually (adjusted for inflation with base year of 1995). This portion of the preamble summarizes the FAA's analysis of the economic impacts of this proposed rule. We suggest readers seeking greater detail read the preliminary Regulatory Evaluation, a copy of which we have placed in the docket for this rulemaking.

In conducting these analyses, FAA has determined that this proposed rule: (1) Has benefits that justify its costs, (2) is not an economically ``significant regulatory action'' as defined in section 3(f) of Executive Order 12866, (3) is ``significant'' as defined in DOT's Regulatory Policies and Procedures; (4) would not have a significant economic impact on a substantial number of small entities; (5) would not create unnecessary obstacles to the foreign commerce of the United States; and (6) would not impose an unfunded mandate on State, local, or tribal governments, or on the private sector by exceeding the threshold identified above. These analyses are summarized below.

Total Costs and Benefits of This Rulemaking

This proposed rule would mandate that all aircraft owners re-register their aircraft over a 3 year period, and then renew these registrations on a 3 year basis. Total estimated costs, over 20 years, range from \$30.53 million (\$16.50 million, discounted) to \$33.03 million (\$17.38 million, discounted). These costs include both the costs to aircraft owners as well as processing costs for the Civil Aircraft Registry and include costs savings from the proposed elimination of the Triennial Program.

The primary benefit of this rulemaking would be the increased accuracy of the records within the Aircraft Registry. Currently, over one third of registered aircraft information is incorrect. The FAA has concluded that the level of accuracy in the system of records must be significantly improved in order to better serve the needs of the users of the system as well as support its own operations. Benefits would accrue from improving the database as well as improving the data collection process.

Who Is Potentially Affected by This Rulemaking

Private Sector

There are currently about 343,000 registered aircraft, of which about 239,000 are active aircraft. The FAA expects about 239,000 aircraft to re-register and then, every 3 years, renew their certificate. The FAA also expects between an additional 1,400 to 3,450 new aircraft to register each year.

Government

This proposal would increase the workload on the Civil Aviation Registry, which would have to process an additional 1.22 million to 1.29 million renewal and registration certificates over a 20-year period. However, this additional work would be partially offset by the proposed elimination of the Triennial Aircraft Registration Program.

Our Cost Assumptions and Sources of Information

- Discount rate--7%;
- Period of analysis--2007 through 2026;
- All monetary values are expressed in 2005 dollars;
- The FAA based projections on two different annual growth rates for aircraft--1.4% and 0.6%.
- The FAA uses the following unit costs:
 - (a) \$5--cost per aircraft for both re-registration and renewal
 - (b) \$37.20--hourly rate of an aircraft owner's time
 - (c) \$12.32--FAA processing costs for re-registration per applicant
 - (d) \$9.26--FAA processing costs for renewal per applicant
 - (e) \$2.06--FAA processing costs for the Triennial Program for each notice sent
 - (f) \$16.80--FAA processing costs for the Triennial Program per reply
 - (g) The FAA based projections on two different annual growth rates for aircraft--1.4% and 0.6%.

A provision in the FAA Financing Reform Proposal would, if enacted, increase the re-registration and renewal fee to \$45, based on direct and allocable indirect unit costs of the FAA Registry's Aircraft Registration Branch and an allowance for FAA Headquarters' overhead. This fee differs from the costs used in this analysis for the re-registration and renewal fee (\$5), FAA processing costs for re-registration per applicant (\$12.32), and FAA processing costs for renewal per applicant (\$9.26). An explanation reconciling these cost differences can be found in the Addendum to the Initial Regulatory Analysis, which can be found in the docket for this rulemaking.

Benefits of This Rulemaking

The primary benefit of this rulemaking would be the increased accuracy of the records within the Aircraft Registry. Currently, over one third of registered aircraft information is incorrect. Inaccurate records have many negative consequences. For example, FAA uses aircraft records to identify owners of specific aircraft so that safety related information, such as airworthiness directives (ADs), can be delivered to those owners, but because of inaccuracies, many safety-related mailings are returned without delivery. Aircraft manufacturers also use aircraft records for the same reasons, to send out safety-related information. Law enforcement and security agencies rely upon FAA's

aircraft records to identify and locate owners of aircraft.

The FAA has concluded that the level of accuracy in the system of records must be significantly improved in order to better serve the needs of the users of the system as well as support its own operations. Specifically, benefits would accrue from improving the database as well as improving the data collection process. The benefits from improving the Registry database include cost savings, better service for aircraft owners, and help with law enforcement. The benefits to be realized by improving the data collection process also include cost savings as well as a more accurate response rate.

Costs of This Rulemaking

This rulemaking proposes that all aircraft owners would have to re-register their aircraft during a 3-year period under guidelines to be published, that all aircraft registrations would need to be renewed every 3 years, and that the present Triennial Program would be eliminated in its entirety.

The FAA estimates that approximately 239,000 aircraft would each go through the proposed re-registration process, and so would be issued a new registration certificate, each with an expiration date, over the first three years of this rulemaking; it is this expiration date, with the subsequent renewals, that is at the heart of this rulemaking and would help to improve the Registry's records. An aircraft could also receive a new certificate through the normal course of business (NCB) renewal process. For instance, if an aircraft was re-registered

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according to the schedule and was then sold at a later date, the certificate issued after the sale would be an NCB transaction and not a transaction from the re-registration schedule. In such a case, its 3-year clock would start anew. Over this 3-year period, approximately 188,400 of these 239,000 aircraft would be re-registered due to the re-registration requirement and 50,700 would receive their re-registration certificate during NCB. However, there would be additional registration activity during this time period, as the FAA assumes a range for the annual growth in the number of aircraft needing to register of about 1,400 to about 3,350. As a result, the FAA projects that 243,400 to 249,100 aircraft would either be re-registered or initially registered over the first 3 years of this proposal. As a result of re-registration, 79%, or about 188,400, of the 239,000 aircraft would be re-registered due to the re-registration requirement, and 21%, or 50,700, would receive their re-registration certificates during NCB.

Following aircraft certificate re-registration would be their renewal every 3 years. In calculating the costs of renewal, the FAA counts the number of aircraft transactions that result in a new certificate due both to an NCB action as well as the number of aircraft certificates issued due to the rulemaking-mandated renewal program. In addition, as in the first three years, the FAA assumes an increase in the number of aircraft needing to register, reflecting the annual growth in the number of aircraft.

The FAA estimates that the Registry would process from 1.22 million to 1.29 million certificate actions over 20 years. However, the Registry would achieve cost savings with the elimination of the Triennial Program. Over 20 years, the proposal to replace the current system with a 3-year re-registration program, followed by a 3-year

renewal cycle would cost from \$30.53 million (\$16.50 million, discounted) to \$33.03 million (\$17.38 million, discounted).

The FAA examined two other scenarios including 5 and 7 year renewal cycles with the Triennial Program eliminated. While these scenarios had lower costs, their much higher expected error rates would more than offset any advantage that these lower costs would bring, leading to doubts as to the accuracy and usefulness of the Registry's database.

Initial Regulatory Flexibility Determination

The Regulatory Flexibility Act of 1980 (RFA) establishes ``as a principle of regulatory issuance that agencies shall endeavor, consistent with the objective of the rule and of applicable statutes, to fit regulatory and informational requirements to the scale of the business, organizations, and governmental jurisdictions subject to regulation.'' To achieve that principle, the RFA requires agencies to solicit and consider flexible regulatory proposals and to explain the rationale for their actions. The RFA covers a wide-range of small entities, including small businesses, not-for-profit organizations and small governmental jurisdictions.

Agencies must perform a review to determine whether a proposed or final rule will have a significant economic impact on a substantial number of small entities. If the agency determines that it will, the agency must prepare a regulatory flexibility analysis as described in the Act.

However, if an agency determines that a proposed or final rule is not expected to have a significant economic impact on a substantial number of small entities, section 605(b) of the RFA provides that the head of the agency may so certify and a regulatory flexibility analysis is not required. The certification must include a statement providing the factual basis for this determination, and the reasoning should be clear.

This proposed rule would affect all aircraft owners, through part 47, as all aircraft owners would be required to re-register and then periodically renew their aircraft. The total cost per certificate per aircraft owner is about \$26. An aircraft owner would renew his or her certificate, on average, about 6 more times over a 20-year period for a total of 7 certificate actions; assuming 7 certificate actions would result in costs of about \$181 over 20 years, or an average cost of \$9 per year. For a small business that owned several aircraft, the cost of this proposed rule to them would be negligible and, therefore, not significant.

Since annualized costs would be less than 1% of annual median revenue, the FAA believes that this proposed action would not have a significant economic impact on a substantial number of small entities. The FAA calls for comments on these assumptions; the FAA requests that all comments be accompanied by full documentation.

International Trade Impact Assessment

The Trade Agreements Act of 1979 prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. Legitimate domestic objectives, such as safety, are not considered unnecessary obstacles. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards. The FAA has assessed the

potential effect of this NPRM and has determined that it would have only a domestic impact and therefore no affect on any trade-sensitive activity.

Unfunded Mandates Assessment

The Unfunded Mandates Reform Act of 1995 requires each Federal agency to prepare a written statement assessing the effects of any Federal mandate in a proposed or final agency rule that may result in an expenditure of \$100 million or more (adjusted annually for inflation) in any one year by State, local, and tribal governments, in the aggregate, or by the private sector; such a mandate is deemed to be a ``significant regulatory action.'' The FAA currently uses an inflation-adjusted value of \$128.1 million in lieu of \$100 million.

This proposed rule does not contain such a mandate. The requirements of Title II do not apply.

Executive Order 13132, Federalism

The FAA has analyzed this proposed rule under the principles and criteria of Executive Order 13132, Federalism. We have determined that this action would not have a substantial direct effect on the States, on the relationship between the national Government and the States, or on the distribution of power and responsibilities among the various levels of government, and therefore would not have federalism implications.

Environmental Analysis

FAA Order 1050.1E identifies FAA actions that are categorically excluded from preparation of an environmental assessment or environmental impact statement under the National Environmental Policy Act in the absence of extraordinary circumstances. The FAA has determined this proposed rulemaking action qualifies for the categorical exclusion identified in paragraph 312(d) and involves no extraordinary circumstances.

Regulations That Significantly Affect Energy Supply, Distribution, or Use

The FAA has analyzed this NPRM under Executive Order 13211, Actions Concerning Regulations that Significantly Affect Energy Supply, Distribution, or Use (May 18, 2001). We have determined that it is not a ``significant energy action'' under the executive order because it is not a ``significant regulatory action'' under Executive Order 12866, and it is not

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likely to have a significant adverse effect on the supply, distribution, or use of energy.

Additional Information

Comments Invited

The FAA invites interested persons to participate in this

rulemaking by submitting written comments, data, or views. We also invite comments relating to the economic, environmental, energy, or federalism impacts that might result from adopting the proposals in this document. The most helpful comments reference a specific portion of the proposal, explain the reason for any recommended change, and include supporting data. To ensure the docket does not contain duplicate comments, please send only one copy of written comments, or if you are filing comments electronically, please submit your comments only one time.

We will file in the docket all comments we receive, as well as a report summarizing each substantive public contact with FAA personnel concerning this proposed rulemaking. Before acting on this proposal, we will consider all comments we receive on or before the closing date for comments. We will consider comments filed after the comment period has closed if it is possible to do so without incurring expense or delay. We may change this proposal in light of the comments we receive.

Proprietary or Confidential Business Information

Do not file in the docket information that you consider to be proprietary or confidential business information. Send or deliver this information directly to the person identified in the FOR FURTHER INFORMATION CONTACT section of this document. You must mark the information that you consider proprietary or confidential. If you send the information on a disk or CD-ROM, mark the outside of the disk or CD-ROM and also identify electronically within the disk or CD-ROM the specific information that is proprietary or confidential.

Under 14 CFR 11.35(b), when we are aware of proprietary information filed with a comment, we do not place it in the docket. We hold it in a separate file to which the public does not have access, and place a note in the docket that we have received it. If we receive a request to examine or copy this information, we treat it as any other request under the Freedom of Information Act (5 U.S.C. 552). We process such a request under the DOT procedures found in 49 CFR part 7.

Availability of Rulemaking Documents

You can get an electronic copy of rulemaking documents using the Internet by--

- (1) Searching the Federal eRulemaking Portal at (<http://www.regulations.gov>);
- (2) Visiting the FAA's Regulations and Policies web page at <http://www.faa.gov/regulations--policies/>; or
- (3) Accessing the Government Printing Office's Web page at <http://www.gpoaccess.gov/fr/index.html>.

You can also get a copy by sending a request to the Federal Aviation Administration, Office of Rulemaking, ARM-1, 800 Independence Avenue, SW., Washington, DC 20591, or by calling (202) 267-9680. Make sure to identify the docket number, notice number, or amendment number of this rulemaking.

You may access all documents the FAA considered in developing this proposed rule, including economic analyses and technical reports, from the internet through the Federal eRulemaking Portal referenced in paragraph (1).

List of Subjects in 14 CFR Part 47

Aircraft, Reporting and recordkeeping requirements.

III. The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Chapter I of Title 14, Code of Federal Regulations, as follows:

PART 47--AIRCRAFT REGISTRATION

1. The authority citation for part 47 continues to read as follows:

Authority: 4 U.S.C. 1830; Pub. L. 108-297, 118 Stat. 1095 (49 U.S.C. 40101 note, 49 U.S.C. 44101 note); 49 U.S.C. 106(g), 40113-40114, 44101-44108, 44110-44113, 44703-44704, 44713, 45302, 46104, 46301.

PART 47--[AMENDED]

2. Amend 14 CFR part 47 by removing the words ``FAA Aircraft Registry'' and ``FAA Registry'' wherever they appear and adding, in their place, the word ``Registry''.

Sec. Sec. 47.5, 47.7, 47.9, 47.11, 47.35, and 47.37 [Amended]

3. Amend 14 CFR part 47 by removing the words ``Application for Aircraft Registration'' and ``application'' and adding, in their place, the words ``Aircraft Registration Application, AC Form 8050-1'' in the following places:

- a. Section 47.5(a)
- b. Section 47.7(a)
- c. Section 47.9(a)
- d. Section 47.11 (introductory text)
- e. Section 47.35(a)
- f. Section 47.37(a)(2)

Sec. Sec. 47.5, 47.7, and 47.11 [Amended]

4. Amend 14 CFR part 47 by removing the words ``Application for Aircraft Registration'' and ``application'' and adding, in their place, the words ``Aircraft Registration Application'' in the following places:

- a. Section 47.5(c)
- b. Section 47.7(c)(2)
- c. Section 47.11(h)

Sec. Sec. 47.5, 47.7, 47.8, 47.11, 47.31, and 47.43 [Amended]

5. Amend 14 CFR part 47 by removing the words ``Certificate of Aircraft Registration'' and ``registration certificate'' and adding in their place, the words ``Certificate of Aircraft Registration, AC Form 8050-3'' in the following places:

- a. Section 47.5(c)
- b. Section 47.7(d)

- c. Section 47.8(c)
- d. Section 47.11(e)
- e. Section 47.31(a)
- f. Section 47.43 (b)

Sec. Sec. 47.9, 47.33, and 47.35 [Amended]

6. Amend 14 CFR part 47 by removing the word ``Administrator'' and adding, in its place, the word ``FAA'' in the following places:

- a. Section 47.9(e)
 - b. Sections 47.33(b) and 47.33(d)
 - c. Section 47.35(b)
7. Revise Sec. 47.1 to read as follows:

Sec. 47.1 Applicability.

This part prescribes the requirement for registering aircraft under 49 U.S.C. 44101-44104. Subpart B applies to each applicant for, and holder of, a Certificate of Aircraft Registration, AC Form 8050-3. Subpart C applies to each applicant for, and holder of, a Dealer's Aircraft Registration Certificate, AC Form 8050-6.

8. Amend Sec. 47.2 by adding the definition of ``Registry'' in alphabetical order and by revising paragraphs (2) and (3) of the definition of ``U.S. citizen'' to read as follows:

Sec. 47.2 Definitions.

* * * * *

Registry means the FAA, Civil Aviation Registry, Aircraft Registration Branch.

* * * * *

U.S. citizen * * *

(2) A partnership each of whose partners is an individual who is a citizen of the United States.

(3) A corporation or association organized under the laws of the United States or a State, the District of Columbia, or a territory or possession of

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the United States, of which the president and at least two-thirds of the board of directors and other managing officers are citizens of the United States, which is under the actual control of citizens of the United States, and in which at least 75 percent of the voting interest is owned or controlled by persons that are citizens of the United States.

9. Amend Sec. 47.3 by revising paragraph (a) to read as follows:

Sec. 47.3 Registration required.

(a) An aircraft may be registered under 49 U.S.C. 44103 only when the aircraft is not registered under the laws of a foreign country and is--

- (1) Owned by a citizen of the United States;
- (2) Owned by an individual citizen of a foreign country lawfully admitted for permanent residence in the United States;
- (3) Owned by a corporation not a citizen of the United States when the corporation is organized and doing business under the laws of the United States or a State within the United States, and the aircraft is based and primarily used in the United States; or
- (4) An aircraft of--
 - (i) The United States Government; or
 - (ii) A State, the District of Columbia, a territory or possession of the United States, or a political subdivision of a State, territory, or possession.

* * * * *

10. Revise the first sentence of Sec. 47.7(d) introductory text to read as follows:

Sec. 47.7 United States citizens and resident aliens.

* * * * *

(d) Partnerships. A partnership may apply for a Certificate of Aircraft Registration, AC Form 8050-3, under 49 U.S.C. 44102 only if each partner, whether a general or limited partner, is an individual who is a citizen of the United States. * * *

* * * * *

Sec. 47.8 [Amended]

11. Amend Sec. 47.8(c) by removing the reference to ``Sec. 47.41(a)(5)'' and adding, in its place, ``Sec. 47.41(a)(3)''.

Sec. 47.11 [Amended]

12. Amend Sec. 47.11(b)(1) by removing the words ``certificate of repossession on FAA Form 8050-4'' and adding, in its place, the words ``Certificate of Repossession of Encumbered Aircraft, FAA Form 8050-4''.

13. Amend Sec. 47.13 by revising paragraphs (a) through (f) to read as follows:

Sec. 47.13 Signatures and instruments made by representatives.

(a) Each person signing an Aircraft Registration Application, AC Form 8050-1, or a document submitted as supporting evidence under this part, must sign in ink. The Aircraft Registration Application must also have the typed or legibly printed name of each signer in the signature block.

(b) When one or more persons doing business under a trade name submits an Aircraft Registration Application, a document submitted as supporting evidence under this part, or a request for cancellation of a Certificate of Aircraft Registration, AC Form 8050-3, the application, document, or request must be signed by, or on behalf of, each person who shares title to the aircraft.

(c) When an agent submits an Aircraft Registration Application, a

document submitted as supporting evidence under this part, or a request for cancellation of a Certificate of Aircraft Registration, on behalf of the owner, he must--

(1) State the name of the owner on the application, document, or request;

(2) Sign as agent or attorney-in-fact on the application, document, or request; and

(3) Submit a signed power of attorney, or a true copy thereof certified under Sec. 49.21 of this chapter, with the application, document, or request.

(d) When a corporation submits an Aircraft Registration Application, a document submitted as supporting evidence under this part, or a request for cancellation of a Certificate of Aircraft Registration, it must--

(1) Have an authorized person sign the application, document, or request;

(2) Show the title of the signer's office on the application, document, or request; and

(3) Submit a copy of the authorization from the board of directors to sign for the corporation, certified as true under Sec. 49.21 of this chapter by a corporate officer or other person in a managerial position therein, with the application, document, or request, unless--

(i) The signer of the application, document, or request is a corporate officer or other person in a managerial position in the corporation and the title of his office is stated in connection with his signature; or

(ii) A valid authorization to sign is on file at the Registry.

(4) The provisions of paragraph (d)(3) of this section do not apply to an irrevocable deregistration and export request authorization when an irrevocable deregistration and export request authorization under the Cape Town Treaty is signed by a corporate officer and is filed with the Registry.

(e) When a partnership submits an Aircraft Registration Application, a document submitted as supporting evidence under this part, or a request for cancellation of a Certificate of Aircraft Registration, it must--

(1) State the full name of the partnership on the application, document, or request;

(2) State the name of each general partner on the application, document, or request; and

(3) Have a general partner sign the application, document, or request.

(f) When co-owners, who are not engaged in business as partners, submit an Aircraft Registration Application, a document submitted as supporting evidence under this part, or a request for cancellation of a Certificate of Aircraft Registration, each person who shares title to the aircraft under the arrangement must sign the application, document or request.

* * * * *

14. Amend Sec. 47.15 by:

a. Removing the word ``identification'' wherever it appears, and adding, in its place the word ``registration'';

b. Revising paragraphs (a) introductory text, (a)(2), (c), the first sentence of paragraph (d), and (f);

c. Redesignating the undesignated paragraph following paragraph (a)(3) as (a)(4) and revising it; and

d. Adding paragraphs (i) and (j) to read as set forth below.

Sec. 47.15 Registration number.

(a) Number required. An applicant for aircraft registration must place a U.S. registration number (registration mark) on his Aircraft Registration Application, AC Form 8050-1, and on any evidence submitted with the application. There is no charge for the assignment of numbers provided in this paragraph. This paragraph does not apply to an aircraft manufacturer who applies for a group of U.S. registration numbers under paragraph (c) of this section; a person who applies for a special registration number under paragraphs (d) through (f) of this section; or a holder of a Dealer's Aircraft Registration Certificate, AC Form 8050-6, who applies for a temporary registration number under Sec. 47.16.

* * * * *

(2) Aircraft last previously registered in the United States. Unless the applicant applies for a different number under paragraphs (d) through (f) of this section, the applicant must place the U.S. registration number that is already assigned to the aircraft on his Aircraft Registration Application, and the supporting evidence. If there is no

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number assigned, the applicant must obtain a U.S. registration number from the Registry by request in writing describing the aircraft by make, model, and serial number.

* * * * *

(4) Duration of a U.S. registration number assignment. Authority to use the registration number obtained under paragraph (a)(1), (2), or (3) of this section expires 90 days after the date it is issued unless the applicant submits an Aircraft Registration Application and complies with Sec. 47.33 or Sec. 47.37, as applicable, within that period of time. However, the applicant may obtain an extension of this 90-day period from the Registry if the applicant shows that the delay in complying with that section is due to circumstances beyond the applicant's control.

* * * * *

(c) An aircraft manufacturer may apply to the Registry for enough U.S. registration numbers to supply estimated production for the next 18 months. There is no charge for this allocation of numbers.

(d) Any available, unassigned U.S. registration number may be assigned as a special registration number. * * *

* * * * *

(f) The Registry authorizes a special registration number change on the Assignment of Special Registration Numbers, AC Form 8050-64. The authorization expires one year from the date the Registry issues an Assignment of Special Registration Numbers unless the special registration number is permanently placed on the aircraft. Within five days after the special registration number is placed on the aircraft, the owner must complete and sign the Assignment of Special Registration Numbers, state the date the number was placed on the aircraft, and return the original form to the Registry. The duplicate of the Assignment of Special Registration Numbers and the present Certificate of Aircraft Registration, AC Form 8050-3, must be carried in the aircraft as temporary authority to operate it. This temporary authority

is valid until the date the owner receives the revised Certificate of Aircraft Registration showing the new registration number, but in no case is it valid for more than 120 days from the date the number is placed on the aircraft.

* * * * *

(i) When aircraft registration has ended, as described in Sec. 47.41(a), the assignment of a registration number to an aircraft is no longer authorized for use except as provided in Sec. 47.31(b) and will be cancelled:

(1) Following the date established in Sec. 47.40(a)(2) for any aircraft that has not been re-registered under Sec. 47.40(a);

(2) Following the expiration date shown on the Certificate of Aircraft Registration for any aircraft whose registration has not been renewed under Sec. 47.40(c);

(3) Following the expiration date shown on the Dealer's Aircraft Registration Certificate, AC Form 8050-6, for any aircraft registered under subpart C of this part, when the certificate has not been renewed, and the owner has not applied for registration in accordance with Sec. 47.31; or

(4) When ownership has transferred--

(i) Six months after first receipt of notice of aircraft sale or evidence of ownership from the last registered owner or successive owners, and an Aircraft Registration Application has not been submitted.

(ii) Six months after evidence of ownership authorized under Sec. 47.67 has been submitted, and the applicant has not met the requirements of this part.

(iii) Twelve months after a new owner has submitted evidence of ownership and an Aircraft Registration Application under Sec. 47.31, and the applicant has not met the requirements of this part.

(j) At the time an assignment of registration number is cancelled, the number may be reserved for one year in the name of the last owner of record if a request has been submitted with the fee required by Sec. 47.17. If the request for reservation and fee are not submitted prior to cancellation, the registration number is unavailable for assignment for a period of five years.

Sec. 47.16 [Amended]

15. Amend Sec. 47.16(a) by removing the words ``Dealer's Aircraft Registration Certificates'' and adding, in their place, the words ``Dealer's Aircraft Registration Certificates, AC Form 8050-6,''.

16. Amend Sec. 47.17 by revising paragraphs (a)(1), (4), (5), and (6) to read as follows:

Sec. 47.17 Fees.

(a) * * *

-

-

(1) Certificate of Aircraft Registration (each aircraft) or
\$5.00
renewal thereof.....

* * * * *

(4) Special registration number (each number).....
10.00
(5) Changed, reassigned, or reserved registration number.....
10.00
(6) Replacement Certificate of Aircraft Registration.....
2.00

-

* * * * *

17. Amend Sec. 47.31 as follows:

a. Remove the words ``Aircraft Bill of Sale, ACC Form 8050-2'' where they appear in paragraph (a)(2), and add, in their place, the words ``Aircraft Bill of Sale, AC Form 8050-2'';

b. Revise paragraph (b) to read as set forth below; and

c. Remove paragraph (c).

The revisions read as follows:

Sec. 47.31 Application.

* * * * *

(b) After compliance with paragraph (a) of this section, the applicant of an aircraft last previously registered in the United States must carry the second duplicate copy (pink) of the Aircraft Registration Application in the aircraft as temporary authority to operate without registration.

(1) This temporary authority is valid for operation within the United States until the date the applicant receives the Certificate of Aircraft Registration or until the date the FAA denies the application, but in no case for more than 90 days after the date the applicant signs the application. If by 90 days after the date the applicant signs the Aircraft Registration Application, the FAA has neither issued the Certificate of Aircraft Registration nor denied the application, the Registry will issue a letter of extension that serves as authority to continue to operate the aircraft without registration while it is carried in the aircraft.

(2) This temporary authority is not available in connection with any Aircraft Registration Application received when 12 months have passed since the receipt of the first application following transfer of ownership by the last registered owner.

(3) If there is no registration number assigned at the time application for registration is made, the second duplicate copy (pink) of the Aircraft Registration Application may not be used as temporary authority to operate the aircraft.

18. Amend Sec. 47.33 by removing the word ``identification'' where it appears in paragraph (c), and adding, in its place, the word ``registration''; and revising paragraph (a)(2) to read as follows:

Sec. 47.33 Aircraft not previously registered anywhere.

(a) * * *

(2) Submits with his Aircraft Registration Application, AC Form 8050-1, an Aircraft Bill of Sale, AC Form 8050-2, signed by the seller, an equivalent bill of sale, or other evidence of ownership authorized by Sec. 47.11.

* * * * *

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19. Revise Sec. 47.39 to read as follows:

Sec. 47.39 Effective date of registration.

An aircraft is registered on the date the Registry determines that the submissions meet the requirements of this part. The effective date of registration is shown by a date stamp on the Aircraft Registration Application, AC Form 8050-1, and as the date of issuance on the Certificate of Aircraft Registration, AC Form 8050-3.

20. Add Sec. 47.40 to read as follows:

Sec. 47.40 Registration Expiration and Renewal.

(a) Re-registration. Each aircraft registered under this part before [effective date of final rule] must be re-registered in accordance with this paragraph.

(1) Each applicant for re-registration must comply with Sec. 47.31, regardless of the year in which the aircraft was registered. Each holder of a Certificate of Aircraft Registration, AC Form 8050-3, must apply between October 1, 2008, and September 30, 2011, according to the following schedule:

If the certificate was issued in between	Then, you must re-register
-----	-----
January.....	10/1/08 and 12/31/08.
February.....	1/1/09 and 3/31/09.
March.....	4/1/09 and 6/30/09.
April.....	7/1/09 and 9/30/09.
May.....	10/1/09 and 12/31/09.
June.....	1/1/10 and 3/31/10.
July.....	4/1/10 and 6/30/10.
August.....	7/1/10 and 9/30/10.
September.....	10/1/10 and 12/31/10.
October.....	1/1/11 and 3/31/11.
November.....	4/1/11 and 6/30/11.
December.....	7/1/11 and 9/30/11.

(2) A Certificate of Aircraft Registration issued before [effective date of final rule] expires at the end of the 3-month period identified in the table that corresponds with the month the certificate was

issued.

(3) The second duplicate copy (pink) of the Aircraft Registration Application, AC Form 8050-1, may not be used as temporary authority to operate an aircraft that is being re-registered. The Registry may postpone the expiration date established in paragraph (a)(2) above, if application for re-registration has been made at least 45 days before that expiration date, and registration cannot be accomplished by the final date. Postponement will not be granted to an aircraft re-registered outside of the schedule in paragraph (1) of this section.

(4) A Certificate of Aircraft Registration issued under this paragraph (a) expires three years after the last day of the month in which it is issued.

(b) Initial Registration. A Certificate of Aircraft Registration issued in accordance with Sec. 47.31 expires three years after the last day of the month in which it is issued.

(c) Renewal. Each holder of a Certificate of Aircraft Registration containing an expiration date may apply for renewal by submitting a completed Aircraft Registration Renewal, AC Form 8050-XXX, and the fee required by Sec. 47.17. The Aircraft Registration Renewal and fee should be submitted at least 90 days before the certificate's expiration date to facilitate timely issuance and delivery of the new certificate before expiration. A certificate issued under this paragraph expires three years from the expiration date of the previous certificate.

21. Amend Sec. 47.41 by--

a. Removing paragraphs (a)(2) and (a)(4);

b. Redesignating paragraph (a)(3) as (a)(2) and paragraphs (a)(5) through (a)(9) as paragraphs (a)(3) through (a)(7);

c. Removing the semi-colon at the end of paragraphs (a)(1) through (a)(4) and adding in their place a period, and removing the phrase ``; or'' at the end of paragraph (a)(5) and adding, in its place, a period; and

d. Revising the introductory text of paragraph (a) and adding paragraph (b) (4) to read as follows:

Sec. 47.41 Duration and return of Certificate.

(a) Each Certificate of Aircraft Registration, AC Form 8050-3, issued by the FAA under this subpart is effective, unless registration has ended by reason of having been revoked, canceled, expired, or the ownership is transferred, until the date upon which one of the following events occurs:

* * * * *

(b) * * *

(4) If the certificate is not available, a statement describing the aircraft, stating the reason the certificate is not available, must be submitted to the Registry within the time required by this section.

22. Revise Sec. 47.43(b) to read as follows:

Sec. 47.43 Invalid registration.

* * * * *

(b) If the registration of an aircraft is invalid under paragraph (a) of this section, the holder of the invalid Certificate of Aircraft Registration, AC Form 8050-3, must return it as soon as possible to the

Registry.

23. Revise Sec. 47.45 to read as follows:

Sec. 47.45 Change of address.

Within 30 days after any change in the mailing address or permanent residence of a registrant, the registrant must notify the Registry in writing of the change of address. If a post office box or mailing drop is used for mailing purposes, the registrant's physical address or location must also be shown. Upon acceptance, the Registry will issue, without charge, a revised Certificate of Aircraft Registration, AC Form 8050-3, reflecting the new mailing address.

24. Amend Sec. 47.47 by revising the introductory text of paragraph (a) and paragraph (a)(1) as follows:

Sec. 47.47 Cancellation of Certificate for export purpose.

(a) The holder of a Certificate of Aircraft Registration, AC Form 8050-3, or the holder of an irrevocable deregistration and export request authorization recognized under the Cape Town Treaty and filed with FAA who wishes to cancel the Certificate of Aircraft Registration for the purpose of export must submit to the Registry--

(1) A written request for cancellation of the Certificate of Aircraft Registration describing the aircraft by make, model, and serial number, stating the U.S. registration number and the country to which the aircraft will be exported;

* * * * *

25. Revise Sec. 47.49 to read as follows:

Sec. 47.49 Replacement of Certificate.

(a) If the original Certificate of Aircraft Registration, AC Form 8050-3, is lost, stolen, or mutilated, the registered owner may submit to the Registry a written request that states the reason a replacement certificate is needed, and the fee required by Sec. 47.17. The Registry will send a replacement certificate to the registered owner's mailing address or to another mailing address if requested in writing by the registered owner.

(b) The registered owner may request a temporary Certificate of Aircraft Registration pending receipt of a replacement certificate. The Registry issues a temporary Certificate of Aircraft Registration in the form of a fax that must be carried in the aircraft until receipt of the replacement certificate.

Sec. 47.51 [Removed and Reserved]

26. Remove and reserve Sec. 47.51.

27. Amend Sec. 47.61 by--

a. Revising the section heading:

b. Removing the word ``Dealers'' from paragraph (b), and adding, in its place, the word ``Dealer's''; and

c. Revising the introductory text of paragraph (a) and paragraph (a)(2) and adding paragraph (c) to read as follows:

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Sec. 47.61 Dealer's Aircraft Registration Certificates.

(a) The FAA issues a Dealer's Aircraft Registration Certificate, AC Form 8050-6, to U.S. manufacturers and dealers to--

* * * * *

(2) Facilitate operating, demonstrating, and merchandising aircraft by the manufacturer or dealer without the burden of obtaining a Certificate of Aircraft Registration, AC Form 8050-3, for each aircraft with each transfer of ownership, under Subpart B of this part.

* * * * *

(c) If the Dealer's Aircraft Registration Certificate expires under Sec. 47.71, and an aircraft is registered under this Subpart, application for registration must be made under Sec. 47.31, or the assignment of registration number may be cancelled in accordance with Sec. 47.15(i)(3).

Sec. 47.63 [Amended]

28. Amend Sec. 47.63(a) by removing the words ``An Application for Dealers'' Aircraft Registration Certificates'' and adding, in their place, the words ``A Dealer's Aircraft Registration Certificate Application''.

29. Revise Sec. 47.65 to read as follows:

Sec. 47.65 Eligibility.

To be eligible for a Dealer's Aircraft Registration Certificate, AC Form 8050-6, the applicant must have an established place of business in the United States, must be substantially engaged in manufacturing or selling aircraft, and must be a citizen of the United States, as defined by 49 U.S.C. 40102 (a)(15).

30. Revise Sec. 47.67 to read as follows:

Sec. 47.67 Evidence of ownership.

Before using a Dealer's Aircraft Registration Certificate, AC Form 8050-6, for operating the aircraft, the holder of the certificate (other than a manufacturer) must send to the Registry evidence of ownership under Sec. 47.11. An Aircraft Bill of Sale, AC Form 8050-2, or its equivalent, may be used as evidence of ownership. There is no recording fee.

Sec. 47.69 [Amended]

31. Amend Sec. 47.69 by removing the words ``Dealer's Aircraft Registration Certificate'' in the introductory text, and adding, in their place, the words ``Dealer's Aircraft Registration Certificate, AC Form 8050-6''.

32. Amend Sec. 47.71 by--

a. Removing the words ``Dealer's Aircraft Registration

Certificate'' in paragraph (a), and adding, in their place, the words
``Dealer's Aircraft Registration Certificate, AC Form 8050-6,``; and
b. Revising paragraph (b) to read as follows:

Sec. 47.71 Duration of Certificate; change of status.

* * * * *

(b) The holder of a Dealer's Aircraft Registration Certificate must immediately notify the Registry of any of the following--

- (1) A change of name;
- (2) A change of address;
- (3) A change that affects status as a citizen of the United States;

or

- (4) The discontinuance of business.

Issued in Washington, DC, on February 21, 2008.

James J. Ballough

Director, Flight Standards Service.

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