

Advocacy Expresses Small Business Concerns Over FAA's Proposed Cockpit Voice Recorder Rule

On June 28, 2005, the U.S. Small Business Administration's Office of Advocacy (Advocacy) submitted comments to the Federal Aviation Administration (FAA) on FAA's *Proposed Revisions to Cockpit Voice Recorder (CVR) and Digital Flight Data Recorder (DFDR) Regulations*.¹ FAA's proposed rule, based largely on recommendations from the National Transportation Safety Board, would require upgraded CVR and DFDR equipment on all aircraft with 10 or more seats, including increased recording time for CVRs, an independent backup power source, separate CVR and DFDR containers, and increased data recording rates. The proposed rule would also require onboard recording of data-link communications, if they are installed. FAA believes these upgrades may help improve the speed of aircraft accident investigations.

Advocacy comments express concern over FAA's analysis under the Regulatory Flexibility Act,² which requires federal agencies to analyze the impact of their proposed regulations on small businesses and consider less burdensome alternatives.

A complete copy of Advocacy's letter to FAA is available at www.sba.gov/advo/laws/comments/.

- Advocacy's principal concern is that FAA's regulatory analysis focuses mostly on large, scheduled airlines while omitting other segments of the aviation industry, such as on-demand air charters, fractional aircraft programs, and small regional carriers.
- Given that many of these operators are small businesses, Advocacy recommends that FAA develop a full industry profile in order to assess compliance costs for small businesses and develop less burdensome alternatives.
- Advocacy recommends that FAA evaluate how compliance costs for small businesses may be affected by greater variability in their fleet models, less purchasing power, unavailability equipment upgrades, and a possible shortage of qualified aviation engineers to complete the proposed upgrades.
- Advocacy recommends that FAA utilize the proper SBA size standard for small business (i.e., 1,500 employees for scheduled passenger and nonscheduled charter airlines), and consider whether other alternatives for small business, such as small carrier exemptions, older aircraft exemptions, and delayed compliance dates, would be feasible.

For more information, please visit Advocacy's Web page at www.sba.gov/advo or contact Bruce Lundegren, Assistant Chief Counsel, at (202) 205-6144 or bruce.lundegren@sba.gov.

¹ 70 Fed. Reg. 9752 (February 28, 2005).

² 5 U.S.C. § 601 et seq.