



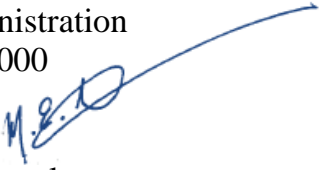
# Memorandum

U.S. Department of  
Transportation

Office of the Secretary  
of Transportation  
Office of Inspector General

Subject: **INFORMATION**: Audit Announcement –  
Review of FAA Oversight of Regional Airlines  
Federal Aviation Administration  
Project No. 15A3013A000

Date: December 3, 2015

From: Matthew E. Hampton   
Assistant Inspector General  
for Aviation Audits

Reply to  
Attn. of: JA-10

To: Director, Audit and Evaluation

Regional air carriers now represent a significant part of the commercial aviation industry, carrying nearly 160 million passengers annually. Regional air carriers began operating in the 1980s to provide air service to cities that could not support major airline service. At the time, regional carriers used smaller aircraft and offered connecting service from smaller cities to larger cities served by major air carriers. However, the regional airline industry has undergone significant changes, including the introduction of larger, more sophisticated aircraft, and the expansion of service to larger cities. In addition, some regional carriers are experiencing rapid growth, while others are facing financial distress.

Ensuring that changes within the regional air carrier industry do not introduce risks to the safety of air travel requires sustained and vigilant oversight by the Federal Aviation Administration (FAA). Following the 2009 crash of Colgan Air flight 3407 outside of Buffalo, NY,<sup>1</sup> the National Transportation Safety Board (NTSB) found that despite the airline adding a new type of aircraft and hiring hundreds of pilots, FAA had not refocused its surveillance or increased the number of inspectors to oversee the carrier. NTSB recommended that FAA adjust its staffing so that inspectors with the necessary qualifications and expertise in new aircraft types provide oversight of regional carriers.

Given the magnitude of the potential impact of changes in the industry, the Ranking Members of the House Transportation and Infrastructure Committee and its

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<sup>1</sup> On February 12, 2009, Colgan Air Flight 3704 operating as Continental Connection crashed due to an aerodynamic stall during approach to Buffalo-Niagara International Airport.

Subcommittee on Aviation requested that we examine the effectiveness of FAA's oversight of regional air carriers. The Ranking Members also asked us to examine issues related to pilot pay, which we plan to address in a separate report. Our audit objectives for this review are to evaluate FAA's process for (1) identifying periods of transition and growth at regional air carriers, and (2) adjusting its oversight to respond to changes in regional air carrier operations.

Our audit will include visits to FAA Headquarters, FAA Flight Standards field offices, and regional air carriers. We plan to begin the audit next month and will contact your audit liaison to schedule an entrance conference. If you have any questions, please contact me at 202-366-0500 or Tina Nysted, Program Director, at (404) 562-3770.

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cc: FAA Audit Liaison, AAE-100  
DOT Audit Liaison, M-1