



March 11, 2010

The Honorable Ray LaHood Secretary U.S. Department of Transportation 1200 New Jersey Ave., S.E. Washington, D.C. 20590 The Honorable Randy Babbitt Administrator Federal Aviation Administration 800 Independence Avenue, S.W. Washington, D.C. 20591

RE: FAA Reauthorization Bill Will Hurt U.S.-Canada Maintenance Relationship

Dear Secretary LaHood and Administrator Babbitt:

I am writing on behalf of the Aeronautical Repair Station Association (ARSA) to express its concern about a provision in the Federal Aviation Administration (FAA) reauthorization legislation that will dramatically alter the relationship between the United States and Canada in the aviation maintenance services sector with significant economic consequences. For the reasons stated below, we urge you to swiftly engage with Congress to resolve this issue.

Both the House and Senate versions of the FAA reauthorization legislation require that individuals performing work on Title 14 Code of Federal Regulation (CFR) part 121 aircraft be employed by FAA-certificated part 121 carriers, FAA-certificated part 145 repair stations, or employed by, and working under the direct supervision and control of a contract maintenance company possessing these certifications (Sec. 522 of S. 1451 as reported by the Senate Commerce, Science, & Transportation Committee and Sec. 310 of HR 915). Unfortunately, the bills do not take into account the U.S.-Canada Bilateral Aviation Safety Agreement (BASA), which has long recognized that certification granted by Transport Canada to an Approved Maintenance Organization (AMO) is the equivalent of part 145 approval (see 14 CFR § 43.17).

If enacted, the House and Senate FAA reauthorization bills will prevent Canadian AMOs from performing maintenance on part 121 aircraft and dramatically impact cross-border relationships with our largest trading partner. Many Canadian AMOs are actually subsidiaries of U.S. companies, meaning the repercussions of the FAA reauthorization bill will be felt on both sides of the border. Canada will also likely retaliate against the United States.

While we have major concerns about other aspects of the House and Senate FAA reauthorization legislation (especially the provisions affecting oversight of foreign repair stations), we felt it imperative to draw your attention to what must be an inadvertent omission by our legislators. ARSA strongly encourages the FAA and Department of Transportation to engage with Congress on this important issue to make certain that Canadian-based repair stations and our bilateral safety agreements are taken into account as the House and Senate work to complete the reauthorization process. Thank you for your consideration.

Your servant,

Sarah MacLeod Executive Director