

**DEPARTMENT OF TRANSPORTATION****Federal Aviation Administration****14 CFR Part 65**

**[Docket No.: FAA-2007-27108;  
Amendment No. 65-50]**

**RIN 2120-A183**

**Inspection Authorization 2-Year Renewal**

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Direct final rule; request for comments.

**SUMMARY:** The Federal Aviation Administration (FAA) is amending the regulations for the Inspection Authorization (IA) renewal period. The current IA regulation has a 1-year renewal period. This rulemaking changes the renewal period to once every two years. By changing the renewal period, the FAA reduces the renewal administrative costs by 50%. Both the FAA and the mechanic holding the IA will realize this cost reduction. Aviation safety will not be affected because this rulemaking does not change the requirements of the prior rule for annual activity (work performed, training, or oral examination).

**DATES:** Effective March 1, 2007.

Comments for inclusion in the Rules Docket must be received on or before March 1, 2007.

**ADDRESSES:** You may send comments identified by Docket Number FAA-2007-27108 using any of the following methods:

- *DOT Docket Web site:* Go to <http://dms.dot.gov> and follow the instructions for sending your comments electronically.

- *Government-wide rulemaking Web site:* Go to <http://www.regulations.gov> and follow the instructions for sending your comments electronically.

- *Mail:* Docket Management Facility; U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL-401, Washington, DC 20590-001.

- *Fax:* 1-202-493-2251.

- *Hand Delivery:* Room PL-401 on the plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

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://dms.dot.gov>, including any personal information you provide. For more information, see the Privacy Act discussion in the **SUPPLEMENTARY INFORMATION** section of this document.

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*Docket:* To read background documents or comments received, go to <http://dms.dot.gov> at any time or to Room PL-401 on the plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** Kim Barnette, AFS-350, 800 Independence Ave, SW., Washington, DC 20591. Telephone number: 202-493-4922; e-mail: [kim.barnette@faa.gov](mailto:kim.barnette@faa.gov); Fax is 202-267-5115.

**SUPPLEMENTARY INFORMATION:** This rulemaking responds to ongoing discussions between the FAA and industry groups concerning ways to reduce the administrative burden associated with the renewal of inspection authorizations under § 65.93, Inspection authorization: Renewal, of Title 14 of the Code of Federal Regulations (14 CFR). Historically, inspection authorizations have been renewed every year during the month of March. Discussions between the FAA and industry representatives, including the Professional Aviation Maintenance Association (PAMA), concluded that changing the renewal period to once every two years, while maintaining requirements for activity (work performed, training, or oral examination) on an annual basis would reduce the administrative burden without affecting safety. The FAA therefore decided to promulgate this rulemaking as a direct final rule because these non-controversial administrative changes will result in appreciable benefits and will not have any adverse impact on safety.

The rule amends § 65.92(a) and § 65.93(a) and (b), and adds a new paragraph (c) to § 65.93. The amendment to § 65.92(a) changes the expiration date of an inspection authorization from "March 31 of each year" to "March 31 of each odd-numbered year." The amendment to § 65.93(a) changes the renewal period for inspection authorizations from every year to once every two years, reflecting the expiration date change to odd-numbered years. The rule retains an annual activity requirement for each year of the 2-year IA period. Consistent with the annual aspects of the current rule, an IA holder must perform one of the five activities listed in § 65.93(a) (1)-(5) during the first year (April 1 to the following March 31) of the 2-year IA

period. As provided in new paragraph (c) to § 65.93, if the IA holder does not complete one of those activities by March 31 of the first-year, the holder may not exercise the inspection authorization privileges after that date. However, the holder may resume exercising IA privileges during the second year after he or she passes an oral test given by an FAA inspector to determine if the holder's knowledge of applicable regulations and standards is current. When the holder passes the oral test, the FAA will deem the first-year requirement completed. Each IA holder also must perform one of the five activities listed in § 65.93(a) (1)-(5) during the second year of the inspection authorization period to be eligible for renewal.

The amendment for § 65.93(b) addresses the case of a holder of an inspection authorization that has been in effect for less than 90 days before March 31 of an even-numbered year. That IA holder need not comply with the activity requirements of § 65.93(a) (1) through (5) for the first year of the 2-year inspection authorization period.

This rulemaking has both FAA and industry support because it provides for a 2-year inspection authorization renewal instead of an annual requirement. Extending the inspection authorization period to two years reduces the paperwork requirements, therefore reducing costs for both IA holders and the FAA by 50%.

As noted before, § 65.92(a) sets March 31 as the date when each inspection authorization expires. The FAA selected March 1, 2007, as the effective date so that the new rule will be in effect when current IAs expire. During March 2007, when mechanics apply to their local Flight Standards District Office/International Field Office (FSDO/IFO) for renewal of their IAs, the FAA Inspector will sign FAA Form 8310-5, Inspection Authorization, for a 2-year period if the mechanics meet the requirements for renewal. The FAA recognizes that during this transition to a 2-year renewal period, the FAA will be looking only at a 1-year period (April 1, 2006 to March 31, 2007) with respect to meeting the requirements of § 65.93(a) (1)-(5).

**Inspection Authorization: Duration**

The FAA is changing § 65.92(a) to state that each inspection authorization expires on March 31 of each odd-numbered year. This action ensures that §§ 65.92 and 65.93 consistently address the 2-year renewal period.

### Inspection Authorization: Renewal

The FAA is changing § 65.93 to provide that:

- The renewal period for an inspection authorization is changed to every two years, from April 1 of each odd-numbered year to March 31 of the next odd-numbered year.
- The IA period is made up of two periods of one year duration, each with an activity (work performed, training, or oral examination) requirement.
- During March of every odd-numbered year, an applicant for renewal must present evidence to the FAA of meeting the inspection authorization renewal requirements of § 65.93(a).
- To maintain currency and ensure a consistent level of safety, IA holders must fulfill one of the activities of § 65.93(a) (1) through (5) during the first year of the 2-year IA period.
- If an IA holder does not complete the activity requirement by March 31 of the first year of the 2-year IA period, the IA holder may not exercise the privileges of the authorization after that date. The IA holder may resume exercising inspection authorization privileges during the second year of the 2-year IA period after the IA holder passes an oral test. That test is administered by an FAA inspector to determine that the IA holder's knowledge of applicable regulations and standards is current. Upon passing the oral test, the IA holder will be deemed in compliance with the first year activity (work performed, training, or oral examination) requirement. Alternatively, the IA holder may surrender the inspection authorization and retake the IA examination without a waiting period before re-examination.

### Authority for This Rulemaking

The FAA's authority to issue rules on 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.

The FAA is issuing this rulemaking under the authority set forth in 49 U.S.C. 44701(a)(2)(A). This regulation is within the scope of that authority because the Administrator is charged with promoting safe flight of civil aircraft by, among other things, prescribing regulations that the Administrator finds necessary inspecting, servicing, and overhauling aircraft, aircraft engines, propellers, and appliances.

### The Direct Final Rule Procedure

The FAA anticipates that this regulation will not result in adverse or

negative comment and therefore is issuing it as a direct final rule as a result of the strong support from the mechanics who hold inspection authorizations. Unless a written adverse or negative comment, or a written notice of intent to submit an adverse or negative comment, is received within the comment period, the regulation will become effective on the date specified above.

### 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 requirements in this document. The most helpful comments reference a specific portion of the rule, explain the reason for any recommended change, and include supporting data. We ask that you send us two copies of written comments.

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. The docket is available for public inspection before and after the comment closing date. If you wish to review the docket in person, go to the address in the **ADDRESSES** section of this preamble between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. You may also review the docket using the Internet at the Web address in the **ADDRESSES** section.

**Privacy Act:** Using the search function of our docket Web site, anyone can find and read the comments received into any of our dockets, including the name of the individual sending the comment (or signing the comment on behalf of 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://dms.dot.gov>.

If you want the FAA to acknowledge receipt of your comments on this direct final rule, include with your comments a pre-addressed, stamped postcard on which the docket number appears. We will stamp the date on the postcard and mail it to you.

### Availability of Rulemaking Documents

You can get an electronic copy using the Internet by:

- (1) Searching the Department of Transportation's electronic Docket Management System (DMS) Web page (<http://dms.dot.gov/search>);

(2) Visiting the FAA's Regulations and Policy Web page at [http://www.faa.gov/regulations\\_policies/](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.

### Small Business Regulatory Enforcement Fairness Act

The Small Business Regulatory Enforcement Fairness Act (SBREFA) of 1996 requires FAA to comply with small entity requests for information or advice about compliance with statutes and regulations within its jurisdiction. Therefore, any small entity that has a question regarding this document may contact their local FAA official, or the person listed under **FOR FURTHER INFORMATION CONTACT**. You can find out more about SBREFA on the Internet at our site, [http://www.faa.gov/regulations\\_policies/rulemaking/sbre\\_act/](http://www.faa.gov/regulations_policies/rulemaking/sbre_act/).

### Paperwork Reduction Act

As required by the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)), the FAA has submitted a copy of these sections to the Office of Management and Budget for its review. The collection of information was approved and assigned OMB Control Number 2120-0022. An agency may not conduct or sponsor and a person is not required to respond to a collection of information unless it displays a currently valid Office of Management and Budget (OMB) control number. This final rule extends the renewal period for Inspection Authorizations from one year to two years. With this change, the FAA reduces the renewal administrative costs and the paperwork by 50 percent. Both the FAA and the mechanic holding the IA will realize this cost reduction. The rule is expected to result in cost savings over ten years of approximately \$795,000 (\$545,863 discounted) to industry and \$430,000 (\$295,856 discounted) to the FAA.

Individuals and organizations may submit comments on the information collection requirement by March 1, 2007, and should direct them to the address listed in the **ADDRESSES** section of this document.

### International Compatibility

The FAA has reviewed corresponding International Civil Aviation Organization International Standards and Recommended practices and has identified no differences in these proposed amendments and the foreign regulations.

### 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 unnecessary obstacles to the foreign commerce of the United States. In developing U.S. standards, the 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 direct final rule.

Department of Transportation Order DOT 2100.5 prescribes policies and procedures for simplification, analysis, and review of regulations. If the expected cost impact is so minimal that a proposed or final rule does not warrant a full evaluation, this order permits that a statement to that effect and the basis for it be included in the preamble if a full regulatory evaluation of the cost and benefits is not prepared. Such a determination has been made for this direct final rule. The reasoning for this determination follows.

Since this direct final rule extends the time between the renewal of the inspection authorization from one to two years, the expected outcome will be a cost savings. This is because the frequency with which mechanics will have to complete and submit renewal applications and FSDOs will have to review these applications will be cut in half. The rule is expected to result in cost savings over ten years of approximately \$795,000 (\$545,863 discounted) to industry and \$430,000 (\$295,856 discounted) to the FAA. There is no impact on safety because the rule does not change the requirements for annual activity (work performed, training, or oral examination).

### Assumptions

- Discount rate—7%.
- Period of analysis—2007 through 2016.
- All monetary values are expressed in 2005 dollars.
- In 2007 approximately 15,000 mechanics will renew their inspection authorization. The number of mechanics will drop to about 12,000 by 2011.
- An airframe and powerplant (A&P) mechanic's time is costed out at \$36.69<sup>1</sup> an hour including fringe benefits.
- The A&P will need approximately 20 minutes to fill out Form 8610-1.
- The cost for a mechanic to complete and mail each form is \$12.62<sup>2</sup>.
- The hourly rate for a GS-11 is \$36.36<sup>3</sup> including fringe benefits.
- A GS-11 at the FSDO and a GS-11 at Oklahoma City will each need approximately 5 minutes to process the application.
- The cost to the FAA to process each application including postage is \$6.84<sup>4</sup>.

The following steps take place during the process of renewing an inspection authorization. The A&P mechanic fills out Form 8610-1 and mails it to the local FSDO where a staff member reviews the application to make sure it meets the requirements, confirms the signature, signs the card and mails it back to the mechanic and mails the application to Oklahoma City. At Oklahoma City, a staff member files the application and transfers the name.

The following tables detail the cost savings to industry and to the United States Government.

### INDUSTRY COST SAVINGS

Year	Number renewing without rule	Cost per application	Total cost without the rule	Number renewing with rule	Total Cost with the rule	Net cost savings of the rule	Discount Rate	Net present value of cost savings
2007 .....	15,000	12.62	189,300	15,000	189,300	0	0.9346	0
2008 .....	14,250	12.62	179,835	0	0	179,835	0.8734	157,075
2009 .....	13,500	12.62	170,370	13,500	170,370	0	0.8163	0
2010 .....	12,750	12.62	160,905	0	0	160,905	0.7629	122,754
2011 .....	12,000	12.62	151,440	12,000	151,440	0	0.7130	0
2012 .....	12,000	12.62	151,440	0	0	151,440	0.6663	100,911
2013 .....	12,000	12.62	151,440	12,000	151,440	0	0.6227	0
2014 .....	12,000	12.62	151,440	0	0	151,440	0.5820	88,139
2015 .....	12,000	12.62	151,440	12,000	151,440	0	0.5439	0

<sup>1</sup> The annual salary of an A&P maintenance technician is estimated at \$57,614 in 2002 as discussed on pg. 7-10 in "Economic Values for FAA Investment and Regulatory Decisions, A Guide, Contract No. DTFA 01-02-C00200, Draft final Report, December 31, 2004. To convert to 2005 dollars the FAA used the *Budget of the United States Government, Fiscal Year 2006*, Table 10.1—Gross Domestic Product and Deflators Used in the Historical Tables: 1940–2011. To convert 2002 dollars to 2005 dollars the FAA multiplied by 1.072949 to obtain \$61,817. The FAA applied a fringe benefit factor of 23.45% as discussed in "Economic Analysis of Investment and Regulatory

Decisions—Revised Guide", FAA-APO-98-4, January 1998. The FAA multiplied \$61,817 by 1.2345 to obtain an annual cost of \$76,313 for the mechanic's time and divided by 2080 to obtain an hourly cost of \$36.69 for a mechanic.

<sup>2</sup> The cost to complete and mail each form is derived by multiplying the mechanics hourly rate of \$36.69 by 20/60, because the mechanic needs 20 minutes to fill out each form, to obtain \$12.23 and adding \$0.39 because the mechanic must mail the form to the FSDO.

<sup>3</sup> The hourly basic wage rate from the 2005 General Schedule Salary Table 2004-DCB (for the

locality pay area of Rest of the United States), GS-11, Step 5 is \$27.45. The FAA applied a fringe benefit factor of 32.45% as discussed in "Economic Analysis of Investment and Regulatory Decisions—Revised Guide", FAA-APO-98-4, January 1998. The FAA multiplied \$27.45 by 1.3245 to obtain an hourly wage rate of \$36.36 for a GS11 employee processing the application.

<sup>4</sup> This cost was derived by multiplying the hourly rate of \$36.36 by (10/60) because the FAA needs 10 minutes per application to obtain \$6.06 and adding the cost of postage for 2 mailings (\$0.78) to obtain \$6.83.

## INDUSTRY COST SAVINGS—Continued

Year	Number re-newing with-out rule	Cost per ap-plication	Total cost without the rule	Number re-newing with rule	Total Cost with the rule	Net cost savings of the rule	Discount Rate	Net present value of cost savings
2016 .....	12,000	12.62	151,440	0	0	151,440	0.5083	76,984
Total .....	.....	.....	1,609,050	.....	813,990	795,060	.....	545,863

## GOVERNMENT COST SAVINGS

Year	Number re-newing with-out rule	Cost per ap-plication	Total cost without the rule	Number re-newing with rule	Total Cost with the rule	Net cost savings of the rule	Discount Rate	Net present value of cost savings
2007 .....	15,000	\$6.84	\$102,600	\$15,000	\$102,600	\$0	\$0.9346	\$0
2008 .....	14,250	6.84	97,470	0	0	97,470	0.8734	85,134
2009 .....	13,500	6.84	92,340	13,500	92,340	0	0.8163	0
2010 .....	12,750	6.84	87,210	0	0	87,210	0.7629	66,532
2011 .....	12,000	6.84	82,080	12,000	82,080	0	0.7130	0
2012 .....	12,000	6.84	82,080	0	0	82,080	0.6663	54,693
2013 .....	12,000	6.84	82,080	12,000	82,080	0	0.6227	0
2014 .....	12,000	6.84	82,080	0	0	82,080	0.5820	47,771
2015 .....	12,000	6.84	82,080	12,000	82,080	0	0.5439	0
2016 .....	12,000	6.84	82,080	0	0	82,080	0.5083	41,725
Total .....	.....	.....	872,100	.....	441,180	430,920	.....	295,856

Based on the projected cost savings, the FAA has determined that this direct final rule is not a “significant regulatory action” as defined in section 3(f) of Executive Order 12866, and is not “significant” as defined in DOT’s Regulatory Policies and Procedures.

**Regulatory Flexibility Determination**

The Regulatory Flexibility Act (RFA) of 1980 (Public Law 96–354) establishes “as a principle of regulatory issuance that agencies shall endeavor, consistent with the objectives of the rule and of applicable statutes, to fit regulatory and informational requirements to the scale of the businesses, organizations, and governmental jurisdictions subject to regulation. To achieve this principle, agencies are required to solicit and consider flexible regulatory proposals and to explain the rationale for their actions to assure that such proposals are given serious consideration.” 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 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 RFA.

However, if an agency determines that a 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 direct final rule will result in some minor cost savings (about \$12 per employee every other year) to certain individuals and will not impose any additional costs.

Therefore, as the FAA Administrator, I certify that this rule will not have a significant economic impact on a substantial number of small entities.

**International Trade Impact Assessment**

The Trade Agreements Act of 1979 (Pub. L. 96–39) 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 direct final rule and has determined that it will have only a domestic impact and therefore no effect on international trade.

**Unfunded Mandates Assessment**

Title II of the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4)

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 with the base year 1995) 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 direct final rule does not contain such a mandate.

**Executive Order 13132, Federalism**

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

**Plain English**

Executive Order 12866 (58 FR 51735, Oct. 4, 1993) requires each agency to write regulations that are simple and easy to understand. We invite your comments on how to make these regulations easier to understand, including answers to questions such as the following:

- Are the requirements in the regulations clearly stated?

- Do the regulations contain technical language or jargon that interferes with their clarity?

- Would the regulations be easier to understand if they were divided into more (but shorter) sections?

- Is the description in the preamble helpful in understanding this action?

Please send your comments to the address specified in the **ADDRESSES** section.

#### 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 rulemaking action qualifies for the categorical exclusion identified in paragraph 307s and involves no extraordinary circumstances.

#### Regulations That Significantly Affect Energy Supply, Distribution, or Use

The FAA has analyzed this final rule under Executive Order 13211, Actions Concerning Regulations that Significantly Affect Energy Supply, Distribution, or Use (66 FR 28355, 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 likely to have a significant adverse effect on the supply, distribution, or use of energy.

#### List of Subjects in 14 CFR Part 65

Air traffic controllers, Aircraft, Airmen, Airports, Alcohol abuse, Aviation safety, Drug abuse, Reporting and recordkeeping requirements, Security measures.

#### Adoption of the Amendment

■ Accordingly, the Federal Aviation Administration amends part 65 of the

Federal Aviation Regulations (14 CFR part 65) as follows:

#### PART 65—CERTIFICATION: AIRMEN OTHER THAN FLIGHT CREW-MEMBERS

■ 1. The authority citation for part 65 is revised to read as follows:

**Authority:** 49 U.S.C. 106(g), 40113, 44701–44703, 44707, 44709–44711, 45102–45103, 45301–45302.

■ 2. Revise § 65.92(a) to read as follows.

#### § 65.92 Inspection authorization: Duration.

(a) Each inspection authorization expires on March 31 of each odd-numbered year. However, the holder may exercise the privileges of that authorization only while he holds a currently effective mechanic certificate with both a currently effective airframe rating and a currently effective powerplant rating.

\* \* \* \* \*

■ 3. Revise § 65.93 to read as follows.

#### § 65.93 Inspection authorization: Renewal.

(a) To be eligible for renewal of an inspection authorization for a 2-year period an applicant must present evidence during the month of March of each odd-numbered year, at an FAA Flight Standards District Office or an International Field Office, that the applicant still meets the requirements of § 65.91(c) (1) through (4). In addition, during the time the applicant held the inspection authorization, the applicant must show completion of one of the activities in § 65.93(a) (1) through (5) below by March 31 of the first year of the 2-year inspection authorization period, and completion of one of the five activities during the second year of the 2-year period:

(1) Performed at least one annual inspection for each 90 days that the applicant held the current authority; or

(2) Performed at least two major repairs or major alterations for each 90

days that the applicant held the current authority; or

(3) Performed or supervised and approved at least one progressive inspection in accordance with standards prescribed by the Administrator; or

(4) Attended and successfully completed a refresher course, acceptable to the Administrator, of not less than 8 hours of instruction; or

(5) Passed an oral test by an FAA inspector to determine that the applicant's knowledge of applicable regulations and standards is current.

(b) The holder of an inspection authorization that has been in effect:

(1) for less than 90 days before the expiration date need not comply with paragraphs (a)(1) through (5) of this section.

(2) for less than 90 days before March 31 of an even-numbered year need not comply with paragraphs (a)(1) through (5) of this section for the first year of the 2-year inspection authorization period.

(c) An inspection authorization holder who does not complete one of the activities set forth in § 65.93(a) (1) through (5) of this section by March 31 of the first year of the 2-year inspection authorization period may not exercise inspection authorization privileges after March 31 of the first year. The inspection authorization holder may resume exercising inspection authorization privileges after passing an oral test from an FAA inspector to determine that the applicant's knowledge of the applicable regulations and standards is current. An inspection authorization holder who passes this oral test is deemed to have completed the requirements of § 65.93(a) (1) through (5) by March 31 of the first year.

Issued in Washington, DC on January 23, 2007.

**Marion C. Blakey,**

*Administrator.*

[FR Doc. 07–412 Filed 1–26–07; 8:48 am]

**BILLING CODE 4910–13–P**