NOTICE

U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

N 8900.603

National Policy

Effective Date:
10/18/21

Cancellation Date:
10/18/22

SUBJ: Closing Regulatory Compliance Actions

1. Purpose of This Notice. This notice provides a policy update to better define how and when to close regulatory Compliance Actions (CA).

2. Audience. The primary audience for this notice is the Flight Standards (FS) Air Carrier and General Aviation Safety Assurance offices' aviation safety inspectors (ASI), Front Line Managers (FLM), Office Managers (OM), aviation safety technicians (AST), and aviation safety assistants (ASA). The secondary audience includes the Safety Standards and Foundational Business offices.

3. Where You Can Find This Notice. You can find this notice on the MyFAA employee website at https://employees.faa.gov/tools_resources/orders_notices, the Flight Standards Information Management System (FSIMS) at https://fsims.avs.faa.gov, and the Dynamic Regulatory System (DRS) at https://drs.faa.gov. Operators and the public can find this notice on the FAA's website at https://www.faa.gov/regulations_policies/orders_notices, FSIMS at https://fsims.faa.gov, and the DRS.

4. Guidance Updates. This notice updates policies in FAA Order 8900.1, Volume 14, Compliance and Enforcement, and Volume 10, Safety Assurance System Policy and Procedures.

5. Background. In a recent Department of Transportation (DOT) investigation, the Office of the Inspector General (OIG) identified inconsistencies in the ways FS personnel determined, documented, and communicated to the certificate holder (CH) that a regulatory CA was closed (OIG Report AV2020013, FAA Needs To Improve Its Oversight To Address Maintenance Issues Impacting Safety at Allegiant Air, dated December 17, 2019). In FAA's review of Recommendation 7 of the report, FS identified a needed revision to Volume 10, Chapter 6, Section 2. In September 2020, subparagraph 10-6-2-9B5) was changed to require that the principal inspector (PI) *must* validate that corrective actions taken by the CH are effective, and that related action items in the Action Item Tracking Tool (AITT) *should* remain open until validation occurs. It was an oversight that "*should*" was not revised to "*must*." Volume 14, Chapter 1, Section 2 was revised in October 2020 to require that regulatory CA records in the Safety Assurance System (SAS) automation (including both AITT and Activity Recording (AR) records) *must* remain open until validation of corrective action effectiveness occurs (subparagraphs 14-1-2-7E1)b), 14-1-2-9F4)h), 14-1-2-9G4)a), and 14-1-2-9H). Validation of corrective action effectiveness means FS determines that the agreed-upon corrective action is put

in place and that it has the intended result. However, FS did not provide guidance on communicating closure to the regulated entity.

6. Action.

a. Action Items Must Remain Open. Regulatory CA-related action items in the AITT *must* remain open until validation occurs (a change to Volume 10, Chapter 6, Section 2, subparagraph 10-6-2-9B5)).

b. Notify Subject. The person or entity subject to the regulatory CA must be kept apprised of the investigation and followup, and notified when the CA is completed to the FAA's satisfaction and the FAA action is closed.

(1) For offices using CA letters under the Consistent Communication through Correspondence (CCtC) initiative with Title 14 of the Code of Federal Regulations (14 CFR) part 121 CHs:

(a) An initial CA letter is sent to formally notify the CH of the apparent noncompliance. The letter also summarizes actions and agreements by and between the FAA and CH in accordance with Volume 10, Chapter 6, Section 2, Table 10-6-2A, Action Choices, "Notify the Certificate Holder" instructions; Volume 14, Chapter 1, Section 2, Subparagraph 14-1-2-7A, Notification; Subparagraph 14-1-2-7F, External Communication/Correspondence and Other Documents Created During CA Investigations; and Volume 14, Appendix 14-3, Compliance Action Communication/Correspondence Guidelines.

(b) Letter correspondence with the CH about the CA should be updated as needed depending on the facts and circumstances, at least monthly for issues which are complex or need long-term action. Policy and guidelines in subparagraph (1)(a) above apply. If the CH is providing written updates acceptable to the FAA that memorialize the CH's accomplished action(s), current status, and planned action(s) with suspense dates for agreed-upon corrective action(s), documenting the CH update in SAS satisfies this requirement.

(c) A CA closure letter must be sent to the CH when all agreed-upon corrective action has been completed and validated as effective to the FAA's satisfaction. Policy and guidelines in subparagraph (1)(a) above apply. The CH must not be told the CA is closed unless all followup activity associated with relevant corrective action validation is completed satisfactorily.

(2) For offices using regulatory CA with CHs (other than part 121) fully integrated into SAS Modules 4 and 5:

(a) The type and level of correspondence with the CH for regulatory CA must be determined by the PI in accordance with Volume 10, Chapter 6, Section 2, Table 10-6-2A, "Notify the Certificate Holder" instructions (first paragraph only); Volume 14, Chapter 1, Section 2, subparagraphs 14-1-2-7A and 14-1-2-7F; and Volume 14, Appendix 14-3.

(b) The CH should be updated about the CA as needed depending on the facts and circumstances, at least monthly for issues which are complex or need long-term action. Policy

and guidelines in subparagraph (2)(a) above apply. If the CH is providing updates acceptable to the FAA that memorialize the CH's accomplished action(s), current status, and planned action(s) with suspense dates for agreed-upon corrective action(s), documenting the CH update in SAS satisfies this requirement.

(c) The CH must be notified when all agreed-upon corrective action has been completed and validated as effective to the FAA's satisfaction. Policy and guidelines in subparagraph (2)(a) above apply. The CH must not be told the CA is closed unless all followup activity associated with relevant corrective action validation is completed satisfactorily.

(3) For offices using regulatory CA with individuals or other regulated entities not fully integrated into SAS Modules 4 and 5:

(a) The type and level of correspondence with the person/entity for regulatory CA must be determined in accordance with Volume 14, Chapter 1, Section 2, subparagraphs 14-1-2-7A and 14-1-2-7F; and Volume 14, Appendix 14-3.

(b) The person/entity should be updated about the CA as needed depending on the facts and circumstances, at least monthly for issues which are complex or need long-term action. Policy and guidelines in subparagraph (3)(a) above apply. If the CH is providing updates acceptable to the FAA that memorialize the CH's accomplished action(s), current status, and planned action(s) with suspense dates for agreed-upon corrective action(s), documenting the CH update in the SAS regulatory CA AR record satisfies this requirement.

(c) The person/entity must be notified when all agreed-upon corrective action has been completed and validated as effective to the FAA's satisfaction. Policy and guidelines in subparagraph (3)(a) above apply. The person/entity must not be told the CA is closed unless all followup activity associated with relevant corrective action validation is completed satisfactorily.

(4) For all regulatory CA where written (letter or email) correspondence is used, include the SAS AITT ID, Task ID, and/or office-specific tracking number(s) for the record used to track the regulatory CA in all written correspondence.

7. Disposition. We will incorporate the information in this notice into Order 8900.1 before this notice expires. Direct questions or comments concerning the information in this notice to the Safety Analysis and Promotion Division (AFS-900) System Approach for Safety Oversight (SASO) Program Office's Safety and Compliance Team (SACT) at 9-avs-afs-cpft@faa.gov.



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