

NATA URGES MEMBERS TO COMMENT ON CALIFORNIA REGULATION OF FLIGHT SCHOOLS

May 17, 2010

What's at Issue

In response to last year's passage of Assembly Bill 48 (AB48), the California Bureau of Private Post Secondary Education (BPPSE) has issued [proposed regulations](#) implementing the bureau's oversight of post secondary education facilities.

Why It's Important

The BPPSE is interpreting the language contained within AB48 in a way that will bring flight training providers under the bureau's oversight. The proposed regulations contain numerous provisions that will cause extreme financial hardship for flight training facilities. NATA has detailed these provisions in a regulatory report that is available for download [here](#).

What to Do

NATA urges all flight training providers located in the state of California to submit comments on the proposed regulations to the BPPSE by the June 7, 2010 public comment deadline. The BPPSE has issued a notice of proposed rulemaking, available [here](#), that provides a mailing address for public comments. Additionally, the notice states that a public comment session will occur on June 7 in Sacramento, CA, for the purpose of the bureau receiving verbal comment on the proposed regulations. NATA encourages all flight training providers to appear at this public comment session, if possible, in addition to submitting written comments.

NATA recommends that comments be constructed in a letter style format and, at a minimum, address the following general comment areas.

- **Facility Description**
Provide a description of your business, including types of training, number of employees, length of time operating in the state and number of students trained annually. This type of information will help establish the important positive economic impact that flight training facilities have on the California economy.
- **Effects of Proposed Regulations**
Establishing the extreme negative effect that the proposed regulations will have on your ability to operate is vital. Address how the numerous fees and charges described in the [NATA regulatory report](#) will hurt your ability to operate. Comments should address the issue of the gross revenue-based annual fee and how, due to the operational environment of flight schools, any gross revenue-based fee is particularly harmful to flight training providers. The following areas should also be considered when developing comments:
 - The requirement for audited financial statements
 - The requirement for a 1:1 asset to liabilities ratio

OVER...

(What to Do Continued)

- **Federal Preemption**

The proposed regulations contain provisions that allow the state to evaluate the effectiveness of curriculum at regulated facilities as well as set the minimum requirements for employment as an instructor at those facilities. These two areas are currently regulated by the Federal Aviation Administration, and the state has no authority to assume oversight of federally preempted responsibility.

NATA Position

NATA believes that the proposed regulations as written and currently interpreted by the BPPSE will have an extreme detrimental effect on flight training providers in California. The proposed regulations will consequently also have a negative effect on the overall economy of the state as more and more small and mid-size businesses are driven out of the state. In the midst of the current recession, California cannot afford regulations that destroy the ability of businesses to operate.

The proposed regulations issued by the BPPSE were written to regulate large colleges and technical schools and do not take into account the unique operating environment of flight training providers. This lack of understanding of a vital industry will eventually lead to the destruction of flight training in the state if implemented.

Staff Contact: Michael France
Director, Regulatory Affairs
mfrance@nata.aero