



U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION
National Policy

ORDER
1110.152

Effective Date:
02/12/09

SUBJ: Safety Management System (SMS) Aviation Rulemaking Committee

1. Purpose of This Order. This order constitutes the charter for the Safety Management System (SMS) Aviation Rulemaking Committee (ARC) that is designated and established pursuant to the Administrator's authority under Title 49 of the United States Code, Section 106(p)(5).¹

2. Audience. This order is written for FAA Aviation Safety (AVS) including the Associate Administrator for Aviation Safety (AVS-1), the Office of Aviation Safety Analytical Services (ASA), the Office of Rulemaking (ARM), Flight Standards Service (AFS), Aircraft Certification Service (AIR), and the Office of Aerospace Medicine (AAM).

3. Where Can I Find This Order. You can find this order on the MyFAA web site:
https://employees.faa.gov/tools_resources/orders_notices/

4. Objectives And Scope Of Activities.

a. An ARC will enable the FAA to respond effectively in developing SMS rulemaking and implementation requirements, as well as the compliance guidance applicable to FAA certificate holders, certain product manufacturers, applicants, and employers. The ARC is expected to evaluate the public comments provided to the FAA in response to an Advance Notice of Proposed Rulemaking (ANPRM), as well as a notice of proposed rulemaking (NPRM) regarding the AVS SMS program. The ARC will provide the FAA recommendations, which may include proposals for rulemaking, suggested processes, policies and guidance, and any further action it determines the agency should contemplate in developing and implementing SMS requirements. Products prepared by the ARC are expected to aid the FAA's development of SMS requirements and guidance to facilitate product/service providers in meeting regulatory safety requirements and corresponding FAA oversight of their performance. As part of its task, the ARC may also review existing regulations and make recommendations to amend or delete them as consistent with its mission.

b. FAA Order VS 8000.367 ("AVS SMS Requirements") is the basis for the ARC's work on how AVS will address its responsibilities for management and oversight of its regulated

¹ The Acting Administrator's Order 8000.369 (September 30, 2008) provides guidance for implementation of a common FAA SMS. The order includes requirements for FAA organizations to establish guidance for their own SMS activities and their industry segment(s) on implementing SMS. The Air Traffic Organization (ATO) has operated an SMS for the last three years under Air Traffic Safety Oversight Service (AOV) oversight. The Airports Organization (ARP) is developing and implementing airport-specific SMS requirements. ARP is engaged in rulemaking projects to develop a state's safety program to ensure an acceptable level of safety and draft policies and guidance consistent with FAA's safety mission and ICAO Annex - 14 (Aerodromes). AVS, ARP, and AOV regularly share information and are in close coordination regarding their respective SMS rulemaking efforts.

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Initiated By: ARM-1

product/service providers. The ARC must respect the key elements outlined in the AVS SMS Requirements Order when it provides the FAA recommendations with respect to changes. Appendix B of the Order addresses the SMS requirements of product/service providers and it is expected that this will be the primary focus of the ARC's recommendations.

c. The ARC, serving in an advisory capacity, is expected to present and discuss whatever input, guidance, and recommendations its members consider critical to the FAA's ultimate disposition, development, and implementation of an SMS rule, and necessary guidance and policy.

5. **Deliverables.** The following deliverables have been established for the ARC:

a. **Provide Recommendations Based on Public Comments to an Advance Notice of Public Rulemaking (ANPRM) and Other Issues the FAA May Want the ARC to Consider.** The ARC will review and provide recommendations to the FAA after considering the relevant public comments to the ANPRM. The FAA may also submit additional issues for the ARC to address that were not part of the ANPRM. Provided the FAA decides to proceed with rulemaking, the ARC's recommendations will be considered by the FAA in its preparation of a notice of proposed rulemaking (NPRM). The ARC may submit its recommendations in a single report using any desired format. The FAA may deem it necessary to develop specific tasks based on an analysis of the ANPRM public comment results.

b. **Provide Implementation, Guidance and Policy Recommendations.** The ARC will provide a report detailing its implementation, guidance and policy recommendations as well as any other recommendations it desires to make with respect to the requirements, implementation and oversight of a SMS. The ARC is not expected to draft detailed orders or other specific guidance documents, but is expected to contribute by addressing the application of key SMS principles and attributes to a level sufficient for the FAA to understand and consider going forward as it develops orders and other guidance documents.

c. **Provide Recommendations Based on Public Comments to a Notice of Proposed Rulemaking (NPRM).** Provided the FAA decides to proceed with rulemaking, the ARC will review and provide recommendations to the FAA after considering the relevant NPRM public comments. The ARC recommendations will be considered by the FAA rulemaking committee in its response to these comments and in its publication of a final rule. The ARC may submit its recommendations in a single report using any desired format.

d. The Associate Administrator for Aviation Safety (AVS-1) may propose additional tasks as necessary in support of a potential SMS rulemaking program. The ARC may also make requests of the Associate Administrator for the addition of other tasks it deems relevant to the success of the SMS program.

e. If the FAA decides to proceed with a rulemaking program after review of both the public and ARC comments to the ANPRM, the project schedule will likely result in FAA development and publishing of its NPRM during the same time the ARC is also developing its guidance and policy recommendations. During this time if it becomes necessary for the FAA to discuss specific issues with the ARC that could be considered ex parte communication, the FAA designated federal official (DFO) must produce formal meeting minutes describing a summary of

the discussions and who was in attendance. The DFO will be responsible for disclosing this communication in accordance with DOT Order 2100.2, Policies for Public Contacts in Rule Making.

6. Schedule. A master schedule will be maintained by the Associate Administrator for Aviation Safety. The Associate Administrator may extend scheduled deadlines as necessary and may also amend the ARC's tasking to ensure that the objectives and the scope of the activities are met.

7. Organization and Administration.

a. The Associate Administrator for Aviation Safety shall have the sole discretion to appoint members or organizations to the committee. The committee shall consist of members of the aviation community, including the public and/or other federal government entity representatives of various viewpoints.

b. The Associate Administrator for Aviation Safety shall receive all committee recommendations and reports. The Associate Administrator, through the Office of Aviation Safety and Analytical Services, ASA, shall be responsible for providing administrative support for the committee, including additional resources and personnel that may be necessary to support the ARC's activities at ASA's discretion.

c. The Associate Administrator for Aviation Safety is the sponsor of the committee, and shall select three industry chairs for the committee. The tri-chairs will provide the leadership for the ARC and shall, with concurrence of the DFO:

(1) Determine, in conjunction with the other members of the committee, when a meeting is required.

(2) Arrange notification of all committee members of the time and place for each meeting.

(3) Formulate an agenda for each meeting, provide the agenda at least one week prior to the meeting, and conduct the meeting.

(4) Form working groups and coordinate between meeting activities as necessary to conduct its business in the most efficient manner possible.

(5) Invite other parties to assist the ARC by developing and/or providing information that the ARC may consider necessary to meet its tasking.

d. The Associate Administrator for Aviation Safety will also select the designated federal official (DFO) to represent the FAA. The DFO will serve as the focal point between the ARC and the FAA. The DFO shall also:

(1) Be responsible for coordinating FAA positions and concerns relative to issues discussed by the ARC.

- (2) Be the point of contact between the ARC and the Associate Administrator for Aviation Safety for raising any issues or concerns the ARC may have.
- (3) Manage the administrative aspects of the ARC.
- (4) Address any ex parte issues that may arise in accordance with FAA and DOT policy.

8. Membership.

a. The membership of the committee may include representatives from the following public and government organizations:

- (1) US industry representatives; including representatives from air carriers, manufacturers, repair stations, and other private sector aviation industry associations, advocacy groups, and providers.
- (2) A representative of the Federal Aviation Administration to serve as the DFO, and
- (3) Foreign authorities and ICAO representatives (Note: While these members will not vote on committee issues, they will be encouraged to fully participate in committee discussions).

b. The membership shall represent a variety of points of view, interests, and knowledge of the objectives and scope of the committee. Committee members will be expected to contribute fully in all areas of the committees' work. Each member will be considered to represent the position of the organization(s) they represent. Therefore, it is the responsibility of each ARC member to fully communicate discussions and decisions within their respective organizations.

c. Each member of the ARC should identify an alternate representative who will attend only those meetings that the member cannot attend. Alternates will only be allowed to vote on committee issues when the member cannot attend.

d. If the ARC finds it necessary to seek guidance from others outside of the ARC's membership to assist as subject matter experts or as part of a working group, these individuals should be invited to participate by the ARC tri-chairs. Such participation will be advisory in nature and these individuals will not vote on committee issues.

9. Costs And Compensation. The estimated operating cost (including pro rata share of salaries of FAA employees) is \$2.5 million. Non-government representatives serve without government compensation and bear all costs related to their participation on the committee.

10. Public Participation. Interested persons or organizations who are not members of this committee, but wish to attend a meeting, must request and receive approval in advance of the meeting from the tri-chairs and the DFO.

11. Availability Of Records. Subject to the conditions of the Freedom of Information Act, 5 U.S. Code, Section 522, records, reports, agendas, working papers and other documents that are made available to or prepared for or by the Committee shall be available for public inspection and copying at the Office of the Associate Administrator for Aviation Safety, 800 Independence

Avenue SW, Washington, DC 20591. Fees shall be charged for information furnished to the public in accordance with the fee schedule published in Part 7 of Title 49, Code of Federal Regulations.

12. Public Interest. The formation of the SMS ARC is determined to be in the public interest in connection with the performance of duties imposed on the FAA by law.

13. Effective Date And Duration. This committee is effective February 12, 2009. The committee shall remain in existence for 3 years, unless sooner terminated or extended by the Administrator.

14. Distribution. This order is distributed to the Associate Administrator for Aviation Safety, the Assistant Administrator for Policy, Planning, and Environment, the Office of the Chief Counsel, the director of the Office of Aviation Safety Analytical Services, and the director and division level in the Aircraft Certification Service, Flight Standards Service, and the Office of Aerospace Medicine; and the director level of the Offices of Rulemaking, Budget, Financial Management, and International Aviation.

15. Background.

a. At its most basic, SMS is a management system for integrating safety activities into normal day-to-day business practices. The FAA, through its Office of Aviation Safety (AVS), envisions product/service provider organizations will integrate into their operations and management a systematic risk-based and process-oriented approach to managing safety, including changes to necessary organizational structures, accountabilities, policies and procedures. The FAA is considering SMS rulemaking to further enhance the practice of managing safety and oversight of that management. Such an approach stresses not only compliance with technical standards, but increases emphasis on those management systems that ensure risk management and safety assurance.

b. Current regulatory requirements impose technical specifications for products and delivery of services, however they do not address the framework within which the safety of those products and services are to be managed. SMS requires a proactive approach to discovering and correcting problems before they exhibit safety consequences. SMS also includes processes that seek to identify potential organizational breakdowns and necessary process improvements which thus allow management to address a safety issue before a noncompliant or unsafe condition results. SMS is not a substitute for compliance with FAA regulations or FAA oversight activities. Rather, an SMS would ensure compliance with safety-related statutory and regulatory requirements.

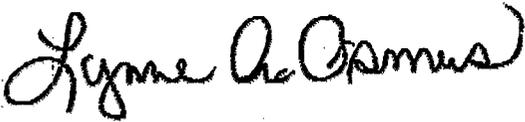
c. For these reasons, the FAA and other government and industry members of the global aviation community seek to develop and implement a structured, comprehensive framework for safety management. The FAA supports alignment with the International Civil Aviation Organization (ICAO) SMS framework. The FAA also supports international alignment, acknowledgement, and reciprocal acceptance of other civil aviation authorities' (CAAs) SMS requirements and their oversight systems.

d. SMS will also create a framework for the relationship between the FAA and the product/service providers it oversees. FAA's oversight strategies will be closely linked to the structure and performance of the product/service provider's SMS. As a result, the FAA seeks to

gain industry input at the earliest stage in support of its development of requirements, implementation strategy, and guidance that will serve as the basis of the FAA AVS SMS program. The FAA has determined that the establishment of an Aviation Rulemaking Committee (ARC) will best help it meet the desired goal of maximizing the breadth and depth of industry input in the process.

e. The FAA expects that the rulemaking will likely result in amendments to 14 CFR parts 21, 119, 121, 125, 135, 141, 142, and 145, and associated guidance documents (e.g., manuals, advisory circulars, operations specifications), as necessary, including incorporating existing ICAO, CAA, and other product/service provider best practices.

f. AVS first established a foundation for SMS in FAA Order VS 8000.1 ("Safety Management System Doctrine"). The Order provides the doctrine that AVS services and offices should consider in implementing a common AVS SMS and in developing an SMS rule for FAA product/service providers. The Order describes SMS as having four components or "pillars" – safety policy, safety risk management, safety assurance, and safety promotion. AVS subsequently developed a set of SMS requirements in FAA Order VS 8000.367 ("AVS SMS Requirements"). This Order details the principles AVS services/offices and industry product/service providers are to follow under oversight of an AVS line of business.



Lyne A. Osmus
Acting Administrator