



## U.S. Department of Transportation

### Privacy Impact Assessment Federal Aviation Administration (FAA) Office of Finance and Management (AFN) Overflight Fee Collection System (OFCS)

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## Executive Summary

The Federal Aviation Administration (FAA) Modernization and Reform Act of 2012 ([FAA Reform Act](#))<sup>1</sup> directs the FAA to charge overflight fees to Air Operators who traverse U.S. airspace but do not land in or takeoff from the U.S. To carry out this authority, the FAA developed the [Overflight Fee Collection System \(OFCS\)](#) to manage overflight records, create invoices, and track overflight fee payments. The [OFCS](#) is a web-based accounts management system custom-built for the FAA to recover the cost of providing air traffic control and other safety services to aircraft traversing U.S. airspace, where such aircraft did not land or takeoff from the U.S. As of June 30, 2016, overflight fees owed to the Department of Transportation (DOT) totaled more than \$24.3 million.

Data used in recovering overflight fees includes Personally Identifiable information (PII) from Air Operators. Therefore, the FAA is developing this Privacy Impact Assessment (PIA) pursuant to the [E-Government Act of 2002 \(E-Government Act\), Pub. L. 107-347 \(Dec. 17, 2002\)](#). This document outlines the steps the FAA has taken and will continue to take to ensure data accuracy, relevance, and timeliness and protect unauthorized use or disclosure of PII contained in OFCS.

## What is a Privacy Impact Assessment?

*The Privacy Act of 1974 articulates concepts for how the federal government should treat individuals and their information and imposes duties upon federal agencies regarding the collection, use, dissemination, and maintenance of personally identifiable information (PII). The E-Government Act of 2002, Section 208, establishes the requirement for agencies to conduct privacy impact assessments (PIAs) for electronic information systems and collections. The assessment is a practical method for evaluating privacy in information systems and collections, and documented assurance that privacy issues have been identified and adequately addressed. The PIA is an analysis of how information is handled to—i) ensure handling conforms to applicable legal, regulatory, and policy requirements regarding privacy; ii) determine the risks and effects of collecting, maintaining and disseminating information in identifiable form in an electronic information system; and iii) examine and evaluate protections and alternative processes for handling information to mitigate potential privacy risks.<sup>2</sup>*

*Conducting a PIA ensures compliance with laws and regulations governing privacy and demonstrates the DOT's commitment to protect the privacy of any personal information we collect, store, retrieve, use and share. It is a comprehensive analysis of how the DOT's electronic information systems and collections handle personally identifiable information (PII). The goals accomplished in completing a PIA include:*

- *Making informed policy and system design or procurement decisions. These decisions must be based on an understanding of privacy risk, and of options available for mitigating that risk;*
- *Accountability for privacy issues;*
- *Analyzing both technical and legal compliance with applicable privacy law and regulations, as well as accepted privacy policy; and*

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<sup>1</sup> Pub. L. 112-95 § 121; Feb. 14, 2012; 49 U.S.C. § 45301

<sup>2</sup> Office of Management and Budget's (OMB) definition of the PIA taken from guidance on implementing the privacy provisions of the E-Government Act of 2002 (see OMB memo of M-03-22 dated September 26, 2003).

- *Providing documentation on the flow of personal information and information requirements within DOT systems.*

*Upon reviewing the PIA, you should have a broad understanding of the risks and potential effects associated with the Department activities, processes, and systems described and approaches taken to mitigate any potential privacy risks.*

## **Introduction & System Overview**

The Overflight Fee Collection System (OFCS) is a custom built, web-based accounts management system developed by the Federal Aviation Administration (FAA) to recover the costs of providing air traffic control and other safety services<sup>3</sup> to aircraft traversing U.S. airspace, where such aircraft did not land or takeoff from U.S.<sup>4</sup> OFCS imports and tracks overflight records, creates customer invoices, tracks and reconciles Air Operator payments, inquiries, and disputes.

OFCS analysts identify all potentially billable overflights by reviewing a monthly extract of all US airspace flight activity captured by the Traffic Flow Management Infrastructure (TFM-1) and National Airspace System Data Warehouse (NAS-DW) data generated overflight fee for service tables (service tables) and overflight track maps (track maps). The service tables include the following information: carrier identification number or aircraft tail number, date of flight, departure and arrival airport codes, nautical miles flown, rate, and resulting overflight fee. This information allows the OFCS analysts to identify all Air Operators' overflights. In addition to generating the service tables, NAS-DW also creates track maps that visually displays each route flown from departure to landing on a map for corresponding overflights.

OFCS analysts verify each overflight by matching the Air Operator's overflights listed in the service table against their corresponding track maps. Matches are made using the following information: carrier identification number or aircraft tail number, date of flight, departure and arrival airport codes. The matching activity ensures the overflights include in an Air Operator's overflight invoice are accurate and indeed billable. After completing the matching function the analyst uploads the verified overflight file to OFCS for invoicing at the end of the month.

OFCS generates a new customer profile for any unique customers encountered each month. The OFCS analyst manually supplement each new customer profile with contact and account information retrieved from the [FAA Aircraft Registry](#)<sup>5</sup>. The Aircraft Registry information added to the OFCS customer profile includes;

- Aircraft Operator /Customer name,
- Point of Contact,
- Billing address,
- Phone number,

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<sup>3</sup> Services include, but are not limited to, communications, navigation, radar surveillance, flight information, procedural control, and emergency services and training. 14 C.F.R. § 187.51

<sup>4</sup> Consequently, the self-funded OFCS program supports the continued safety of U.S. airspace while protecting the public fiscally by preventing such overflights from placing an undue financial burden on the American taxpayer.

<sup>5</sup> FAA Aircraft Registration PIA is located at <https://transportation.gov/privacy>.

- Fax number,
- 3-digit carrier ID (if associated with an airline), and
- Aircraft registration number.

OFCS analysts then tabulate the fees due in each case and use OFCS to create and print invoices for all overflights by that customer for the month that exceed an established threshold.<sup>6</sup> Along with the above data elements listed, the invoice includes information specific to all events that incurred overflight charges for the month – namely, flight dates, departure and destination cities, and nautical miles traversed in U.S. airspace over land and over sea. Monthly invoices are mailed by first-class surface post to customers.

OFCS is not a payment management system. Customers are directed to make payments of less than \$1,000 via the FAA's financial management system, Delphi or via an online portal called [pay.gov](https://www.pay.gov). All other payments must be made via direct wire transfer to the US Department of Treasury. All overflight payments processed through pay.gov are recorded in the Department of the Treasury's web-based Collections Information Repository (CIR).<sup>7</sup> OFCS analysts generate reports from the CIR daily and update payment information manually into OFCS. The CIR collection report details the following payment information: payer's name, address, email, account number, invoice number, amount, and invoice type. This payment information is used for the purposes of verifying payments made by Air Operators, and helps OFCS analysts readily identify and resolve billing disputes. Such bill disputes are manually entered into OFCS when they arise and any necessary adjustment to the customer's account are made after review of these records. Under no circumstances is the payer's banking information shared with or shown to OFCS.

When an overflight fee is 60 days past due, FAA issues a letter indicating the total interest and penalty charges that have accrued. Any accounts that become 120-days delinquent are forwarded to Treasury for further collection action. Air Operators may contact the FAA directly with any questions or billing disputes. Individuals can bring billing disputes to AFN, or go to the Privacy Office to file a Privacy Act request or complaint.

## Fair Information Practice Principles (FIPPs) Analysis

*The DOT PIA template is based on the fair information practice principles (FIPPs). The FIPPs, rooted in the tenets of the Privacy Act, are mirrored in the laws of many U.S. states, as well as many foreign nations and international organizations. The FIPPs provide a framework that will support DOT efforts to appropriately identify and mitigate privacy risk. The FIPPs-based analysis conducted by DOT is predicated on the privacy control families articulated in the Federal Enterprise Architecture Security and Privacy Profile (FEA-SPP) v3<sup>8</sup>, sponsored by the National Institute of Standards and Technology (NIST), the Office of Management and Budget (OMB), and the Federal Chief Information*

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<sup>6</sup> Federal law gives agencies discretion to waive fees where the cost of processing payment exceeds the fee itself. In the case of overflight fees, the FAA has determined that the current minimum for proceeding with billing is \$400. See [Update of Overflight Fee Rates, 81 FR 85843 \(effective Jan. 1, 2017\)](#).

<sup>7</sup> More information on Treasury's CIR is available at: [https://www.fiscal.treasury.gov/fsservices/gov/rvnColl/cir/rvnColl\\_cir.htm](https://www.fiscal.treasury.gov/fsservices/gov/rvnColl/cir/rvnColl_cir.htm).

<sup>8</sup> <https://s3.amazonaws.com/sitesusa/wp-content/uploads/sites/1151/2016/10/FEA-Security-Privacy-Profile-v3-09-30-2010.pdf>

*Officer's Council and the Privacy Controls articulated in Appendix J of the NIST Special Publication 800-53 Security and Privacy Controls for Federal Information Systems and Organizations.*<sup>9</sup>

## Transparency

*Sections 552a(e)(3) and (e)(4) of the Privacy Act and Section 208 of the E-Government Act require public notice of an organization's information practices and the privacy impact of government programs and activities. Accordingly, DOT is open and transparent about policies, procedures, and technologies that directly affect individuals and/or their personally identifiable information (PII). Additionally, the Department should not maintain any system of records the existence of which is not known to the public.*

The FAA deploys multiple techniques to ensure that individuals are informed of the purpose for which the FAA collects, uses, disseminates, and retains PII within OFCS. FAA's Overflight Fee Collection Program is sufficiently well-publicized in civil aviation as to put Aircraft Operators on notice that traversing U.S. airspace without landing or taking off in the U.S. will prompt receipt of a bill from the FAA. The OFCS website, available at [https://www.faa.gov/air\\_traffic/international\\_aviation/overflight\\_fees/](https://www.faa.gov/air_traffic/international_aviation/overflight_fees/), provides Air Operators and the public a general overview of the Overflight Fee Program. The website and the invoice used for billable overflights provide multiple means of contacting the FAA to learn more, if desired.

OFCS records are not retrieved by a personal identifier linked to an individual and are therefore not covered by the Privacy Act. The FAA applies the Fair Information Practice Principles (FIPPs) to ensure that any PII maintained in the record is used and protected as appropriate. PII retrieved from the Aircraft Registry is protected by [DOT/FAA 801 – Aircraft Registration Records](#) system of records notice and is shared with OFCS- consistent with the purposes of its original collection.<sup>10</sup>

Finally, this PIA further demonstrates the commitment of DOT to ensure appropriate transparency of OFCS.

## Individual Participation and Redress

*DOT should provide a reasonable opportunity and capability for individuals to make informed decisions about the collection, use, and disclosure of their PII. As required by the Privacy Act, individuals should be active participants in the decision making process regarding the collection and use of their PII and be provided reasonable access to their PII and the opportunity to have their PII corrected, amended, or deleted, as appropriate.*

Mailing of overflight bills requires retrieving Air Operators' contact information from the FAA's Aircraft Registration System and as necessary publicly-available sources.<sup>11</sup> The computation of overflight bills depends on data retrieved from TMF-I, which tracks airspace flight activity.

Air Operators may contact the FAA with any questions or disputes regarding their invoices. Air Operators should contact:

Federal Aviation Administration  
Attn: Michelle Leissner

<sup>9</sup> See <https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-53r4.pdf>

<sup>10</sup> See 81 FR 54187 – August 15, 2016

<sup>11</sup> Additional information regarding the FAA's Aircraft Registration System may be found at: <https://www.transportation.gov/individuals/privacy/privacy-impact-assessment-faa-office-aviation-safety-aircraft-registration> .

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Additionally, individuals may request searches to determine if any records appear in an FAA system of records. Individuals wishing to know if their records appear in this system may inquire in person or in writing to:

Federal Aviation Administration  
Privacy Office  
800 Independence Avenue (Ave), SW  
Washington, DC 20591

The request must include the following information:

- Name
- Mailing address
- Phone number and/or email address
- A description of the records sought, and if possible, the location of the records

Contesting record procedures: Individuals wanting to contest information about them that is contained in this system should make their request in writing, detailing the reasons for why their records should be corrected and addressing their letter to the following address:

Federal Aviation Administration  
Privacy Office  
800 Independence Avenue (Ave), SW  
Washington, DC 20591

## Purpose Specification

*DOT should (i) identify the legal bases that authorize a particular PII collection, activity, or technology that impacts privacy; and (ii) specify the purpose(s) for which its collects, uses, maintains, or disseminates PII.*

[Section 121 of the FAA Reform Act<sup>12</sup>](#) directs the FAA to charge overflight fees to Air Operators who traverse U.S. airspace but do not depart or takeoff from the U.S. To carry out this authority, OFCS collects and maintains contact information for Air Operators for the purposes of issuing invoices, and tracking Air Operator overflight fee payments.

The authority to operate OFCS is Federal Claims Collection Act of 1966 (Pub. L. 89–508), 31 U.S.C. Chapter 37, Subchapter I, General, and Subchapter II, Claims of the United States Government; Debt

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<sup>12</sup> The FAA's overflight fees were initially authorized in section 273 of the Federal Aviation Reauthorization Act of 1996. See Update of Overflight Fee Rates, 81 FR 85843 (Nov. 29, 2016).

Collection Act of 1982, Pub. L. 97-365; 5 U.S.C. 5514, Installment Deduction for Indebtedness (salary offset); section 206 of Executive Order 11222; and, 49 CFR part 92, Salary Offset, DOT.

## Data Minimization & Retention

*DOT should collect, use, and retain only PII that is relevant and necessary for the specified purpose for which it was originally collected. DOT should retain PII for only as long as necessary to fulfill the specified purpose(s) and in accordance with a National Archives and Records Administration (NARA)-approved record disposition schedule.*

The PII data elements, such as point of contact name, billing address, aircraft registration number, and flight record, are the minimum necessary for the FAA to process invoices. Without this information, the FAA would not be able to compute overflight fees correctly nor notify the proper party of the overflight fees incurred. The customer and invoice numbers generated by OFCS help keep these records organized.

Air Operators' overflight fee records are retained and disposed of in accordance with [National Archives and Records Administration \(NARA\), NI-237-09-23, item 2 \(Revenue and Other Financing Source Accounts\)](#). All accounts and cash management records are destroyed seven years after creation of the record.

Additionally, all other tables are retained and disposed in accordance with [NARA, NI-237-04-3, Item 12\(b\)/Aircraft Registration Database \(AR\)](#). All records are destroyed when no longer needed for agency business.

## Use Limitation

*DOT shall limit the scope of its PII use to ensure that the Department does not use PII in any manner that is not specified in notices, incompatible with the specified purposes for which the information was collected, or for any purpose not otherwise permitted by law.*

OFCS collects only such information as is needed to locate and bill the appropriate customer. OFCS strictly curtails use of the data collected for overflight billing. It demonstrates this by not connecting to any other systems within or beyond the FAA network. Although interconnections might simplify the work of reconciling accounts across the component, FAA is concerned that direct data sharing would invite the possibility that PII compiled by OFCS for a narrowly-tailored purpose could be used for objectives not contemplated at the point of collection.

## Data Quality and Integrity

*In accordance with Section 552a(e)(2) of the Privacy Act of 1974, DOT should ensure that any PII collected and maintained by the organization is accurate, relevant, timely, and complete for the purpose for which it is to be used, as specified in the Department's public notice(s).*

The FAA takes numerous steps to ensure the integrity and quality of OFCS data. For instance, upon absorption of each month's overflight file into OFCS, the system is coded to merge any duplicate customer profiles encountered to prevent redundancies. Additionally, OFCS employs three manual methods of ensuring that the PII it collects and maintains is accurate, complete, and current. The three manual methods are as follows:

- 1) Each month, when an overflight is incurred in connection with an account that has shown no activity for a period of three years or longer, OFCS analysts refer to the publicly-available Aircraft Registration System and verify that all contact information associated with the long-dormant account is still accurate, complete, and current before sending a bill to the account's listed point of contact.
- 2) Because OFCS sends paper bills by surface post, any mail that does not reach its intended recipient is returned to OFCS by the U.S. Postal Service (USPS) as undeliverable. To reissue the outstanding bill to its intended recipient, OFCS analysts consult the publicly available sources of information and the Aircraft Registration System to update the pertinent account with contact information that is accurate, complete, and current.
- 3) Once per month, OFCS supports a downstream system audit by providing a small number of reference records against which the downstream system (Delphi) checks the accuracy of its own database. Delphi randomly selects which sample it will check and requests that OFCS supply matching records in support of Delphi's audit.

OFCS analysts refer to the publicly available sources of information and the Aircraft Registration System to verify that all information in the selected records remains accurate, complete, and current. If there is a discrepancy, OFCS updates its record so that it matches the official registration records maintained in the Aircraft Registry. Delphi's audits typically consist of a request to OFCS of 4-5 records, which represents approximately 1% of the overflights incurred in any given month.

Anytime an Air Operator has a question or dispute about their account, they are invited to contact the FAA directly (as mentioned above) at the email address or phone number provided in the invoice to resolve any perceived discrepancy in billing. Overflight fee analysts manually record the inquiry in OFCS and make any credits or adjustments to the customer account. Finally, since invoices are generated and sent monthly to all the customers who had billable overflights during that month, Air Operators are regularly given the opportunity to review and dispute in a timely manner any of the overflight charges or other billing details regarding their account by contacting the Office of Finance and Management (AFN), which investigates and reconciles any such disputes. All other invoices to which an Air Operator does not respond within 120 days are then referred to the U.S. Treasury for collection pursuant to the [Digital Accountability and Transparency Act of 2014 \(DATA Act\), Pub. L. 113-101 \(May 9, 2014\)](#).

## Security

*DOT shall implement administrative, technical, and physical measures to protect PII collected or maintained by the Department against loss, unauthorized access, or disclosure, as required by the Privacy Act, and to ensure that organizational planning and responses to privacy incidents comply with OMB policies and guidance.*

The FAA protects PII with reasonable security safeguards against loss or unauthorized access, destruction, usage, modification, or disclosure. These safeguards incorporate standards and practices required for federal information systems under the Federal Information Security Management Act (FISMA) and are detailed in Federal Information Processing Standards (FIPS) Publication 200, Minimum Security Requirements for Federal Information and Information Systems, dated March 2006, and National Institute of Standards and



Technology (NIST) Special Publication (SP) 800-53, Revision 4, Security and Privacy Controls for Federal Information Systems and Organizations, dated April 2013.

OFCS is accessible to only those authorized FAA employees and contractors who operate on the internal FAA network to execute the OFCS functions, and who are specifically assigned to work with OFCS. All FAA employees and contractors seeking to gain authorization to OFCS must complete a User Access Request Form where an administrator approves or denies the requester access to OFCS based on their job duties and functions. Additionally, authorized FAA employees and contractors must use their Personal Identity Verification (PIV) card and password to verify their user credentials and gain access to OFCS.

OFCS has a system security plan in place. The system has completed the authorization and accreditation (A&A) process that reviews security controls and procedures. The A&A process also validates that OFCS is compliant with appropriate information security processes and policies. OFCS was granted an Authority to Operate (ATO) by the FAA Office of the Chief Information Officer on March 14, 2018.

### **Accountability and Auditing**

*DOT shall implement effective governance controls, monitoring controls, risk management, and assessment controls to demonstrate that the Department is complying with all applicable privacy protection requirements and minimizing the privacy risk to individuals.*

The FAA's Office of Information & Technology, Information Security & Privacy Service, Security Governance Division is responsible for the administration of FAA Order 1370.121, which implements the various privacy requirements of the Privacy Act of 1974, as amended (the Privacy Act), the E-Government Act of 2002 (Public Law 107-347), the Federal Information Security Management Act (FISMA), DOT privacy regulations, OMB mandates, and other applicable DOT and FAA information and information technology management procedures and guidance. In addition to these, additional policies and procedures will be consistently applied, especially as they relate to the access, protection, retention, and destruction of PII. Federal and contract employees are given clear guidance in their duties as they relate to collecting, using, processing, and security privacy data. Guidance is provided in the form of mandatory annual security and privacy awareness training, as well as FAA Privacy Rules of Behavior. The DOT and FAA Privacy Offices will conduct periodic privacy compliance reviews of OFCS relative to the requirements of OMB Circular A-130, Managing Information as a Strategic Resource.

### **Responsible Official**

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### **Approval and Signature**

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