

January 22, 1990

Michael W. Terry, Esq.
Hixon, Yow, Waller & Capers
1500 First Union Bank Bldg.
Augusta, GA 30910-2599

Dear Mr. Terry:

Allied-Signal Aerospace Company - 12 Artisan Liens on Engines

By your letter of January 5, 1990, you resubmitted artisan liens for 12 engines worked on by your clients, who have not been paid for their work, apparently. The liens were returned to you with the explanation that under 49 U.S.C. 1403(a)(2), the Federal Aviation Administration does not deem itself to have the authority to record such nonconsensual liens against engines.

You suggest that the legislative history of the Federal Aviation Act of 1958, as amended, case law (notably Holiday Airlines Corporation), and Federal Aviation Regulations 49.41 and 49.43 would allow such recording. We have carefully reviewed the material and arguments you have urged as controlling, but we remain persuaded that the reasons given by Mr. Choate of this office are correct.

49 U.S.C. 1403(s)(1), which refers to aircraft, only requires that liens apply if they affect an interest in the aircraft. However, 1403(a)(2) is clearly distinguishable, requiring that instruments affecting engines be "executed for security purposes." We are not persuaded that unilateral, nonconsensual claims of lien are executed for security purposes within the context of Congressional intent.

We have so advised the FAA Aircraft Registry. The liens are returned. Your filing fees will be returned in due course by the Department of the Treasury.

Sincerely,

Joseph R. Standeli
Assistant Chief Counsel
for the Aeronautical Center


By: R. Bruce Carter
Attorney Adviser

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