

March 17, 2020

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Charles Schumer
Minority Leader
United States Senate
Washington, DC 20510

Dear Speaker Pelosi and Leaders McConnell, McCarthy and Schumer

The United States business and general aviation industry, which includes all operations other than the scheduled commercial airlines and military, supports 1.2 million jobs and \$247 billion in economic impact. Across the country, thousands of small and mid-size businesses generate \$77 billion in labor income that pays the bills for families and supports communities throughout the country.

With the unprecedented challenges our nation is confronting, these companies are facing increasing financial uncertainty. Due to the nature of the COVID-19 pandemic, there is currently no certainty as to when economic conditions will improve, which threatens the survival and prospects of thousands of general aviation businesses. Further, the threat of potential domestic travel restrictions and locally imposed travel restrictions have the potential to cause even more significant harm to these companies as this crisis continues.

We applaud your decisive actions to provide rapid relief during this crisis. As you consider the third relief package, we respectfully request that all air carriers, including air charter and fractional operators, be included as was the case in *Air Transportation Safety and System Stabilization Act* passed after the September 11 terrorist attacks. These companies are a vital part of our transportation network and serve as a lifeline for communities large and small throughout the country.

With scheduled airlines serving only ten-percent of our nation's 5,000 airports, air carriers that provide charter services under Part 135 of the Federal Aviation Regulations, and fractional providers operating under Part 91 subpart K provide connectivity to thousands of communities with no other air service. In addition to transporting passengers, Part 135 operators conduct almost all air ambulance flights and are a critical part of the network to deliver organs for transplant. Without both near and medium to long-term relief, many of these air carriers will not survive, resulting in job losses and significant disruptions to the critical services that they provide every day.

As you consider a potential relief package for FAR Part 121 air carriers, we request that those same programs be made available for companies conducting operations under FAR Parts 135 and 91 subpart K. Programs that would provide the most support to our industry include medium to long-term liquidity assistance and relief from air transportation excise taxes. With the majority of business aviation air carriers being private companies, their access to capital is more constrained. In the current environment, private equity markets are not able to provide financing, eliminating an important source of liquidity for the industry.

Both relief and rebates for air transportation excise taxes paid by these air carriers would also provide much-needed assistance. Part 135 air carriers remit excise taxes on amounts paid for air transportation under Internal Revenue Code (IRC) sections 4261(a), 4261(b), 4261(c) and 4271. Also, both Part 135 and Part 91, subpart K operators remit fuel taxes under IRC sections 4081 and 4043. Including these operators in potential excise tax relief or rebates is critical and will provide them with additional flexibility during these uncertain times.

The business aviation industry is resilient and has a proven track record of providing humanitarian assistance during times of need. However, the air carriers within our industry are facing unprecedented challenges, and we appreciate your consideration of our requests. We look forward to being engaged in discussions on a potential relief package for all air carriers and thank you for your leadership.

Sincerely,

Mark Baker
President
Aircraft Owners and Pilots Association

James Viola
President & CEO
Helicopter Association International

Jack Pelton
CEO & Chairman of the Board
Experimental Aircraft Association

Tim Obitts
President & CEO
National Air Transportation Association

Pete Bunce
President & CEO
General Aviation Manufacturers Association

Ed Bolen
President & CEO
National Business Aviation Association