

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5051
MINORITY (202) 225-5074

<https://oversight.house.gov>

July 14, 2021

Nicholas E. Calio
President & Chief Executive Officer
Airlines for America
1275 Pennsylvania Avenue, NW Ste. 1300
Washington, DC 20004

Dear Mr. Calio:

We write today to inquire about the ability of the airline industry to recover from the COVID-19 pandemic given various economic impediments, and to express our concerns about recent cancellations in the face of surging demand for flights. For example, American Airlines announced that it is forced to cancel hundreds of flights during peak demand this summer due to vendor staffing shortages and maintenance problems, among other issues.¹ Even as demand for flights exceeds pre-pandemic levels,² we continue to be concerned about the impact of labor shortages on the airline industry and the economy in general. Also of concern is the fact that the airline industry and its supporting businesses received billions in Payroll Support Program funds from the Treasury Department during the unprecedented COVID-19 pandemic.³

It is clear that enhanced unemployment benefits and other COVID-19 related issues are weighing down on the American economy. Many workers in fact are incentivized to stay at home and receive unemployment compensation instead of rejoining the workforce, as their benefits with COVID-19 enhancements are substantially higher than normal.⁴ While this made sense during the COVID-19 pandemic-induced shutdowns and economic downturn, the reopening of the economy made possible by safe and effective vaccines cannot happen if we incentivize the labor force to stay at home.

¹ Josephs, Leslie, *American Airlines cancels hundreds of flights due to staffing crunch, maintenance issues*, CNBC NEWS (Jun. 20, 2021), available at <https://www.cnbc.com/2021/06/21/american-airlines-cancels-flights-due-to-staffing-maintenance-issues.html>.

² Aratani, Lori, *July Fourth could be a record-breaking weekend for TSA*, WASH. POST (Jul. 2, 2021), available at <https://www.washingtonpost.com/transportation/2021/07/02/july-fourth-could-be-record-breaking-weekend-tsa/>.

³ See e.g. Press Release, *American Airlines to Receive \$5.8 Billion in Payroll Support from U.S. Department of the Treasury*, AMERICAN AIRLINES (Apr. 14, 2020), available at <https://news.aa.com/news/news-details/2020/American-Airlines-To-Receive-5.8-Billion-in-Payroll-Support-From-US-Department-of-the-Treasury-OPS-DIS-04/default.aspx>.

⁴ Nicholas Reimann, *Florida the Latest State Dropping \$300-A-Week Federal Unemployment Benefits*, FORBES (May 18, 2021), <https://www.forbes.com/sites/nicholasreimann/2021/05/24/florida-the-latest-state-dropping-300-a-week-federal-unemployment-benefits/?sh=7aef09f75730>.

Mr. Nicholas Calio

July 14, 2021

Page 2 of 3

This is occurring at the same time as spending-induced inflation erodes the savings of many Americans, especially those on fixed incomes.⁵ Yet inflation in prices of products will also affect the ability of airlines to operate and could inflate ticket prices as well as those costs are passed onto the customer. Airline companies play an essential role in the American economy, and we are especially concerned that they get back to operating at 100% capacity, particularly as they received billions in taxpayer funds during the pandemic.

To that end, please make arrangements to schedule a briefing no later than July 21, 2021 on the airline industry's plans to recover from the unprecedented COVID-19 pandemic, how the airline industry utilized taxpayer funds during the COVID-19 pandemic, as well as any obstacles standing in the way to achieving normalcy. To schedule the briefing or ask any follow-up or related questions, please contact Committee on Oversight and Reform Republican staff at (202) 225-5074.

The Committee on Oversight and Reform is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate "any matter" at "any time" under House Rule X.

Thank you for your attention to this important request.

Sincerely,



Ralph Norman
Ranking Member
Subcommittee on the Environment



Glenn Grothman
Ranking Member
Subcommittee on National Security



Michael Cloud
Ranking Member
Subcommittee on Economic and
Consumer Policy



Paul A. Gosar, D.D.S.
Member of Congress

⁵ Dore, Kate, 'Inflation is the silent killer,' as many retirees are feeling the sting, CNBC NEWS (Jul. 4, 2021), available at <https://www.cnbc.com/2021/07/04/inflation-is-the-silent-killer-as-many-retirees-are-feeling-the-sting.html>.

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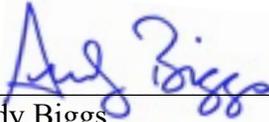
Page 3 of 3



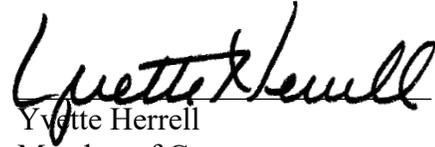
Bob Gibbs
Member of Congress



Fred Keller
Member of Congress



Andy Biggs
Member of Congress



Yvette Herrell
Member of Congress

cc: The Honorable Ro Khanna
Subcommittee on Environment

The Honorable Stephen F. Lynch, Chairman
Subcommittee on National Security

The Honorable Raja Krishnamoorthi, Chairman
Subcommittee on Economic and Consumer Policy