

June 5, 2014

The Honorable John Barrasso United States Senate 307 Dirksen Senate Office Building Washington, DC 20510-5003

Dear Senator Barrasso:

We are writing today to express our concern with the Pilot Certification and Qualification Requirements for Air Carrier Operations final rule that was published in the Federal Register last year. The Wyoming Airport Operators Association and nine Wyoming Commercial Service Airports have developed the following position paper. We would like you, Senator Enzi, and Congresswoman Lummis to take the lead on introducing legislation that would provide relief before the damage to air service and the Wyoming economy goes beyond repair.

Position Paper - The Pilot Certification and Qualification Requirements for Air Carrier Operations final rule, published in the Federal Register July 15, 2013, requires first officers to hold an Airline Transport Pilot (ATP) certificate with 1,500 hours total time as a pilot. Prior to the final rule first officers were only required to have a commercial pilot certificate with a minimum of 250 hours flight time. Per the FAA, "The new regulations stem in part from the tragic crash of Colgan Air 3407 in February 2009, and address a Congressional mandate in the Airline Safety and Federal Aviation Administration Extension Act of 2010 to ensure that both pilots and co-pilots receive the ATP certification." The FAA, in December of 2011, also adopted new flight duty and rest requirements for pilots.

The regulation mandated by Congress, with the best of safety intentions, has had unintended financial consequences to regional air carriers and communities by artificially creating a pilot shortage. The regulation has placed a tremendous financial burden upon all regional air carriers that may lead to bankruptcies, loss of air service, or at a minimum a reduction in reliable air service to smaller regional airports and communities. In Wyoming this could lead to, in the very near term, four out of ten air service airports without commercial air service vital to local economic stability and development. Cheyenne enplanements for the year, as an example, are projected to be less than 5,000 after being in excess of 12,000 last year, a decrease of almost 60%. Sheridan County Airport is averaging a 41% to 43% cancellation rate in the first quarter of 2014 resulting in a 32% drop in passenger enplanements. Rock Springs reports that the rising costs associated with the pilot certification requirements could make air service in Rock Springs more expensive and may increase the leakage to Salt Lake City. Longer term the added cost to the regional carriers will make air service in Wyoming more expensive and increase the leakage to Denver, Billings, and Rapid City. Additionally, when an airport's enplaned passengers drop below 10,000 in a year the airport no longer meets the definition of a primary commercial service airport with a minimum entitlement level of \$1,000,000 and becomes a non-primary airport (between 2,500 and 10,000 enplanements) with an entitlement level of \$150,000. This will result in reduced funds needed for important capacity, security, and safety projects.

Specifically:

- While no one is anti-safety, we believe crew rest and increased training, factors specific to the Colgan accident, provide benefits to the industry, but the pilot certification and qualification requirements have had an unintended consequence to regional carriers and thus small communities.
- Wyoming, with its' small population and diverse population centers, is and will be disproportionately affected by this increased training requirement.
- 40% of the existing Wyoming commercial service airports may lose all of their commercial air service and the remaining commercial service airports will find it more difficult to attract and retain air service due to the increased cost to the regional carriers.
- The 12,268 jobs related to airport management, airport tenants, capital investment at airports, and visitor spending; the \$526.4 million annual payroll associated with these jobs; the \$1.4 billion annual economic activity or output associated with airport and visitor related spending; the 38,100 additional jobs in Wyoming that gain efficiency by using aviation; and the \$55 million in annual local and state aviation tax revenues are jeopardized.¹
- Wyoming Airports that fall below the 10,000-passenger enplanement threshold will lose \$850,000
 in Airport Improvement Program (AIP) funds that will either shift that funding burden to the State
 or more likely will not be available to fund needed capacity, safety, and security projects.
- Increased leakage to Denver, Billings, or Rapid City will actually be less safe for Wyoming residents since statistically driving is more dangerous than flying.

We would like Senators Enzi and Barrasso and Congresswoman Lummis to take the lead on introducing legislation that would provide relief.

- Initially, we would like to see the introduction of legislation that would prevent a primary commercial service airport from losing the \$1,000,000 in AIP entitlement funds due to the pilot hour requirement, something outside of a community's control, similar to the relief granted after 9/11.
- Second, more training, in and of itself, is always arguably better than less; however, on what basis
 was the 1,500 hour threshold established? We would ask that the minimum hours be reverted
 back to 250 until such time that the costs of the requirement are considered against the benefits
 and the industry is given an opportunity to discuss alternative measure to provide an equivalent
 level of safety.

Thank you in advance for consideration on this most important issue.

Respectfully,

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WAOA Board President

David S. Haring, C.M. Cheyenne Regional Airport

¹ 2013 Wyoming Airports Economic Impact Study – Executive Summary

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