

United States Senate

March 20, 2020

The Honorable Mitch McConnell
Senate Majority Leader
United States Capitol
Washington, D.C. 20510

The Honorable Charles E. Schumer
Senate Minority Leader
United States Capitol
Washington, D.C. 20510

Dear Leader McConnell and Leader Schumer:

Any industry relief from the effects of the coronavirus must prioritize healthcare and financial support for workers over executive pay, shareholders or profits. Industry and elected officials need to take steps immediately to ensure the safety of workers, families, and communities. We are writing to urge that any economic relief must act to put the health, safety, and financial well-being of American workers first in their efforts to address the COVID-19 crisis.

The outbreak of COVID-19 has dealt a severe financial blow to our country's airlines. The airline industry is calling for \$29 billion in immediate assistance in the form of grants, \$29 billion in zero interest loans, and temporary tax exemptions totaling an unknown amount.¹ We recognize the grave challenges facing airlines today. We must equally acknowledge how airline practices over many years have exacerbated the issues they face.

U.S. airlines were profitable for a decade before COVID-19, a record period of profitability,² benefitting from increased consolidation³ and corporate tax cuts,⁴ yet 96% of free cash flow of the biggest U.S. airlines in the last decade has been used for share buybacks.⁵ The amount spent in buying back shares by the four biggest U.S. carriers in the last five years totals \$39 billion.⁶ This amount exceeds what the airlines are now requesting in grants by a total of \$10 billion, and

¹ *A4A Recommendations*, Airlines for America (Mar. 16, 2020), <https://www.airlines.org/wp-content/uploads/2020/03/A4A-Recommendations-3-16-20.pdf>.

² Alison Sider and Ted Mann, *Airlines Seek \$50 Billion Coronavirus Aid Package*, Wall Street Journal (Mar. 16, 2020), <https://www.wsj.com/articles/airlines-seek-up-to-50-billion-in-government-aid-amid-coronavirus-crisis-11584378242>.

³ *U.S. Airline Mergers and Acquisitions*, Airlines for America, <https://www.airlines.org/dataset/u-s-airline-mergers-and-acquisitions> (16 major airline mergers since 2005) (last visited Mar. 20, 2020).

⁴ Benjamin Zhang, *Trump's tax reform is giving US airlines an incredible boost — at least for now*, Business Insider (Jan. 25, 2018), <https://www.businessinsider.com/us-airlines-are-saving-billions-of-dollars-from-tax-reform-employees-get-bonuses-2018-1>.

⁵ Anurag Kotoky, *Coronavirus Could Bankrupt Most Airlines by End of May, Consultant Warns*, Bloomberg (Mar. 16, 2020), <https://www.bloomberg.com/news/articles/2020-03-16/u-s-airlines-spent-96-of-free-cash-flow-on-buybacks-chart>.

⁶ Leslie Josephs and Lauren Hirsch, *'No blank check' for airlines seeking more than \$50 billion in coronavirus aid, Democrats warn*, CNBC (Mar. 17, 2020), <https://www.cnbc.com/2020/03/17/coronavirus-airline-aid-must-include-worker-protections-unions-say.html>.

is almost 70% of the amount requested in loans and grants. During this period the industry has actively fought airport workers' efforts to win living wages, sick days, and health care.

As a result, the working people who today risk their health and livelihoods in the face of COVID-19 serve our airports stand unprotected at the frontlines of a brutal health crisis. The Occupational Safety and Health Administration has determined that workers in airline operations face an increased risk of exposure to COVID-19.⁷ Yet many of the workers sanitizing airplane cabins and terminals, escorting elderly passengers, and monitoring security have no employer provided health insurance or paid sick leave. Some continue working in spite of underlying conditions that make them particularly vulnerable to COVID-19.

As airlines feel the economic strain of COVID-19, so do workers. Layoffs are already ravaging this workforce, from cabin cleaners at Boston Logan to skycaps at Reagan National Airport. Many more are suffering cuts in hours – and the worst is yet to come. Historically low wages mean that workers have minimal savings to weather unemployment, care for children home from school, or ensure shelter and food for their families at this unprecedented moment.

Providing these basic protections for frontline workers is not only a moral obligation, it is a public health imperative to protect a workforce exposed to millions of people each day. Yet the airlines have demonstrated that their priorities do not lie with the public interest. We cannot write them a blank check.

Airlines receiving any governmental assistance must be required to provide the following to their direct employees and employees of contractors performing traditional airline work:

1. 14 additional paid sick days (80 hours) immediately available and not subject to accrual requirements, to be used in the event of a public health emergency.
2. Layoff protection via back pay/wage replacement at the regular rate of compensation for airport workers affected by the economic impacts of COVID-19.
3. 3 paid sick days (24 hours) immediately available when an employee begins work, and not subject to accrual requirements.
4. Up to 56 additional hours of paid sick days, accrued at a rate of 1 hour for every 30 hours worked.
5. A supplement to wages in the form of cash, health insurance, or a combination thereof, no less than the supplemental benefit provided under the Service Contract Act.

Airport workers cannot continue to protect us unless we protect them. We must ensure that no taxpayer dollars go to the airline industry without these essential provisions for airport workers.

⁷ *COVID-19: Hazard Recognition*, OSHA.gov, <https://www.osha.gov/SLTC/covid-19/hazardrecognition.html> (airline operations is an industry with higher risks) (last visited Mar. 20, 2020).

Thank you for your attention to this important matter. Due to the closure of many Senate offices during the coronavirus outbreak, physical signatures are unavailable. The listed senators have asked to be signatories to this letter.

Sincerely,

Senator Edward J. Markey

Senator Jack Reed

Senator Richard Blumenthal

Senator Bernard Sanders

Senator Mazie Hirono

Senator Robert Menendez

Senator Cory A. Booker

Senator Chris Van Hollen

Senator Ron Wyden

Senator Sheldon Whitehouse

Senator Jeffrey A. Merkley

Senator Elizabeth Warren